Financial Statements and Reports 1983

Table of Contents

	Page
CITY COUNCIL, OFFICIALS AND ORGANIZATION	2-5
REPORT OF THE CITY MANAGER	6
REPORT OF THE GENERAL MANAGER OF FINANCE AND CITY TREASURER	6-7
COMBINED FINANCIAL STATEMENTS	
Auditors' Report	9
Balance Sheet	10-11
Statement of Revenues and Expenditures	12-13
Statement of Reserves for Future Expenditures	14-15
Statement of Surplus	16-17
Statement of Changes in Financial Position	18
Notes to Financial Statements	22-25
GENERAL GOVERNMENT FINANCIAL STATEMENTS	
Balance Sheet	29
Statement of Revenues and Expenditures	30-31
Statement of Reserves for Future Expenditures	32-33
Statement of Surplus	34
MILL WOODS LAND DEVELOPMENT ENTERPRISE FINANCIAL STATEMENTS	
Balance Sheet	37
Statement of Revenue and Expenditures	37
Statement of Equity	38
Statement of Changes in Financial Position	38
LAND REVOLVING FUND	
Balance Sheet	39
Statement of Revenues and Expenditures	39
EQUIPMENT POOL FINANCIAL STATEMENTS	
Balance Sheet	41
Statement of Revenue and Expenditures	42
Statement of Equity	41
EDMONTON TRANSIT	
Balance Sheet	43
Statement of Revenue and Expenditures	44
Statement of Changes in Financial Position	44
Statement of The City of Edmonton Equity	45
Statement of Contributions and Grants for Extensions to Plant	45
COMBINED UTILITIES FINANCIAL STATEMENTS	
Balance Sheet	48-49
Statement of Income	50-51
Statement of City of Edmonton Equity	52-53
Statement of Changes in Financial Position	54-55
EDMONTON CONVENTION CENTRE	
Balance Sheet	57
Statement of Reserve for Future Expenditures	58
Statement of Contributed Capital Surplus	58
Statement of Operations	58
RELATED AUTHORITIES — FINANCIAL STATEMENTS	
Non-Profit Housing Corporation	59-66
Edmonton Research and Development Park Authority	67-71
Edmonton Ambulance Authority	72-76
SCHEDULES, ANALYSES AND STATISTICS	
Statistical Review	77
Analysis of Long-Term Debt	78-79
Schedule of Taxation	80
Schedule and Analyses of Long-Term Debt	81-83
SPECIAL FUNDS — FINANCIAL STATEMENTS	
Sinking Fund	85-87
Reserves Fund	88-91
Pension Fund	92-101
BOARDS — FINANCIAL STATEMENTS	
The Edmonton Exhibition Association Limited	104-111
The Edmonton Public Library Board	112-116
The Royal Alexandra Hospital	117-124
The Edmonton Public School District No. 7	125-130
The Edmonton R.C. Separate School District No. 7	131-136
The Edmonton Local Board of Health	137-141

1983 Officials

City Manager — S.H. Dietze
Personnel — J.A. Pare
Computing Resources — W.R. Ellwood
Corporate Communications — P.S. Brown
Corporate Studies — C. Heffring
Corporate Planning — D. Rhyason
Corporate Budget — J.E. Mulloy
Disaster Services — B. Wilson
Action Centre — B. Loree

Assistant City Manager of Utilities and Finance — Vacant
Finance — J.K. McAully
Assessors — S.M. Scott
Power — E.F. Kyte
Telephones — G.K. Foster
Water and Sanitation — A.C. Beaulieu
Real Estate and Supply Services — G. Weese

Assistant City Manager of Public Affairs — D.A. Lychak
Planning — J.I. Fleming
Parks and Recreation — D. Ausman
Social Services — J.A. Lackey
Transportation — R. David
Fire — L.C. Day
Police — R.F. Lunney

City Clerk — C.J. McGonigle

City Solicitor — A. Konye

Auditor General — E.J. Powell

Boards and Authorities:

Edmonton and Rural Auxiliary Hospital Board
Chairman — L. McDannold
Executive Director — D.C. McIntyre

Edmonton Exhibition Association Board
President — A. Schenfield
General Manager — G.S. Hughes

Royal Alexandra Hospital Board
Chairman — E.H. Leger
Executive Director — E.L. Casey

Edmonton Local Board of Health
Chairman — M.A. Binder
Medical Officer — Dr. J.M. Howell

Edmonton Housing Authority
Chairman — Vacant
General Manager — K. Fletcher

Edmonton Public Library Board
Chairman — Dr. M.D. Wilde
Director — V. Richards

Edmonton Ambulance Authority
Chairman — E.H. Leger
General Manager — W.J. Coghill

Edmonton Convention Centre Authority
- Chairman — B. Olsen
- General Manager — K. Kolesch

Edmonton Convention and Tourism Authority
- Chairman — G. MacDonald
- General Manager — E.D. James

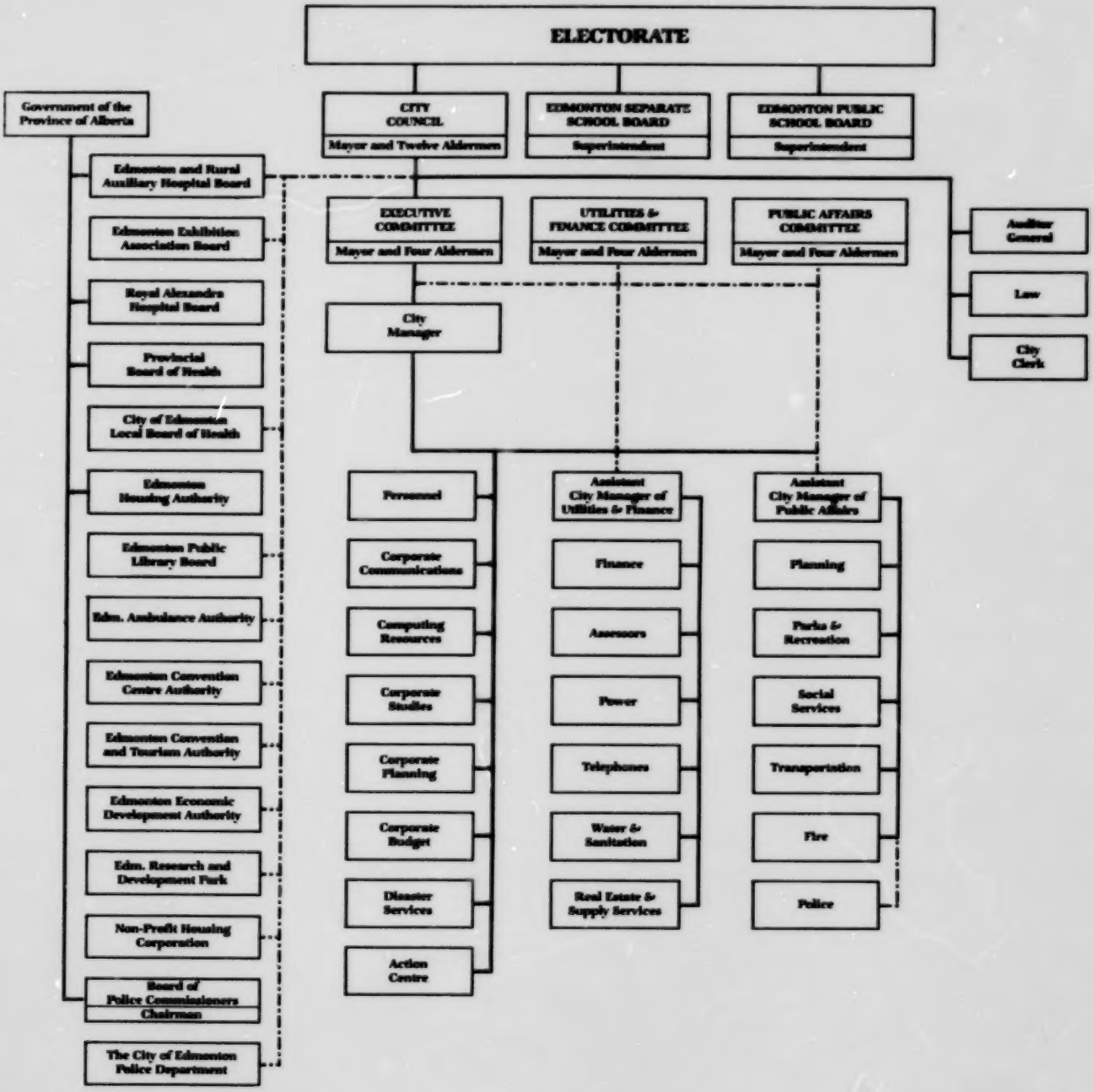
Edmonton Economic Development Authority
- Chairman — D.W. Maloney
- General Manager — A.G. Bleiken

Edmonton Research and Development Park Authority
- Chairman — Dr. H.E. Gunning
- General Manager — G.A. Mitchell

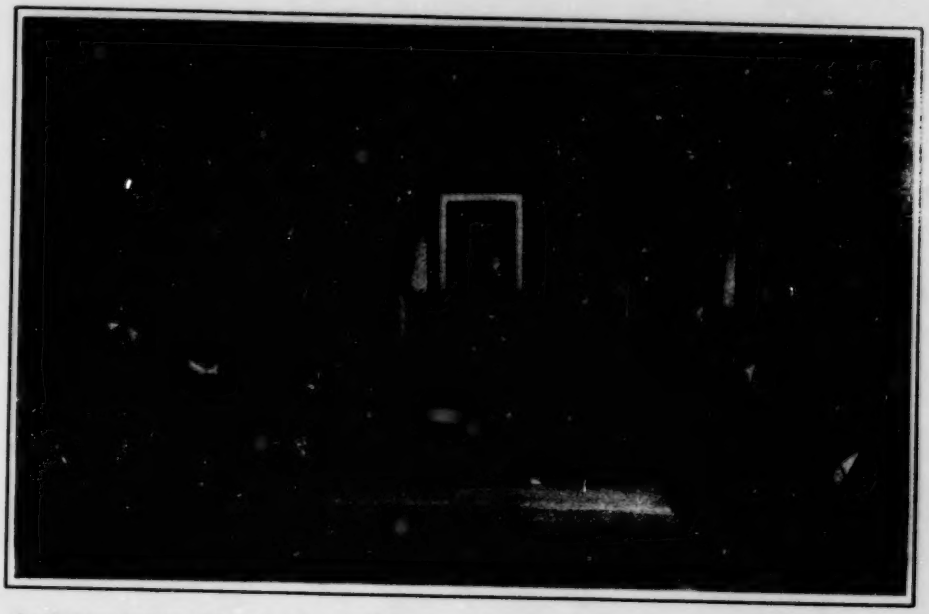
Non-Profit Housing Corporation
- Chairman — J. Reimer
- Executive Director — D.A. McCullagh

Police Commission
- Chairman — M. Lobay
- Chief of Police — R.F. Lunney

ORGANIZATIONAL CHART OF THE CITY ADMINISTRATION



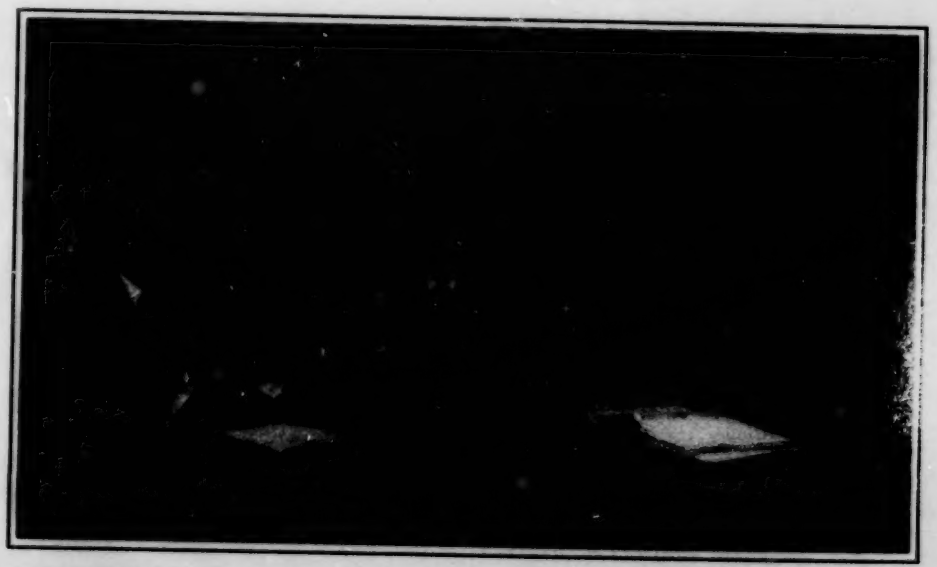
The City of Edmonton Council



Back Row, left to right: *Ron Hayter, Alderman; Bettie Hewes, Alderman; G. Lyall Roper, Alderman; Lillian Staroszik, Alderman; Julian J. Kinisky, Alderman; E.H. (Ed) Leger, Alderman*

Front Row, left to right: *Terry Cavanagh, Alderman; Jan Reimer, Alderman; Percy Wickman, Alderman; Laurence Decore, Mayor; Olivia Butti, Alderman; E.W. (Ed) Ewasiuk, Alderman; Lance D. White, Alderman*

Senior Management Committee



Left to Right: *P.H. Walker, Acting Assistant City Manager; S. Dietze, City Manager; D.A. Lychak, Assistant City Manager*

Report of the City Manager

Your Worship the Mayor and Members of the Council of The City of Edmonton:

It is a pleasure to present the audited financial statements and reports of the Corporation of The City of Edmonton for the year ending 1983 12 31.

The year, 1983, will be remembered both for the hosting of the XIII World University Games with the accompanying visit of their Royal Highnesses, the Prince and Princess of Wales, and also for the impact on the City of the economic downturn.

The City responded positively to all of these challenges. Over 5,000 volunteers supported the essential City services for the World University Games. As well, management strategies to bring about the downsizing of City operations were developed, including a 2½% expenditure rollback of services. These strategies, coupled with streamlining of the service delivery system, together with consolidating the municipal structure, achieved a balanced budget despite a dramatic revenue decline in 1983. These techniques will continue into the future and administrative decision-making will be done with a view to maximizing opportunities and implementing suggestions put forth by citizens and employees.

Respectfully submitted,

City Manager

Report of the General Manager of Finance and City Treasurer

INTRODUCTION:

It is my pleasure to report that although 1983 was a year of economic downturn in Alberta and reduced general revenues, the City was able to reduce expenditures and meet the 1983 budget objectives in both municipal and utility operations. As a result, the City has kept its property taxes at one of the lowest levels of all major North American cities.

The following financial and statistical information provides a synopsis and highlights regarding 1983 fiscal activity.

ECONOMY:

The Provincial economic recovery in 1983 has been somewhat slower than that of many other provinces and of Canada as a whole. This follows the pattern in which Alberta was slower in entering the economic downturn. The fact is that Alberta is in transition from the period of very high growth in the 1970's to one of more normal and sustainable growth. This normalization will continue due to the reduced cash flow in the energy sector which has been reflected in the Edmonton economy with a reduction in building permit values, lower investment, and decreased municipal revenues.

The future outlook shows signs of stabilization with declines in the inflation rate during 1983 to a present 4% level. In addition, in 1983 net cash expenditures in the Alberta petroleum industry and Edmonton's manufacturing output each declined by only two percent; however, these levels of expenditures were respectively three and nine percent higher than the average of the past five years.

FISCAL MANAGEMENT:

Fiscal 1983 reflected the decline in economic activity with a reduction in municipal budgeted revenues; however, the City successfully met this challenge through implementation of an expenditure reduction program which, including staff reductions and early retirement incentives, resulted in a $1.8 million current revenue surplus.

At the same time, the City has continued its strategy of reductions in tax-supported capital expenditures through the Debt Management Fiscal Policy. This policy subsidizes the property tax-supported debt servicing from existing funds while shortening the new debt term to five years. In addition, the policy provides for increased pay-as-you-go funding and provides for the recovery of self-liquidating debt costs from user fees and not from property taxes.

Also, in 1983 the City began its public borrowing plan to fund the Genesee Power Plant by completing two Canadian debenture issues for a total of $100 million. This debt will be supported by the Power Utility revenues.

NEW AUTHORITIES:

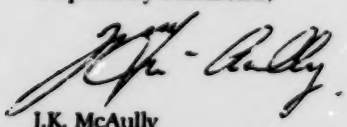
In 1983, The City of Edmonton established two new authorities — The Edmonton Economic Development Authority and the Edmonton Convention and Tourism Authority. These municipally-funded related authorities were established to work closely with industry and to review and encourage investment and development decisions within Edmonton's economy. In addition, with the opening of the new Edmonton Convention Centre in 1983, the City is providing a major contribution to the local convention and tourism industry.

FINANCIAL OBSERVATIONS:

The Combined Financial Statements at 1983 12 31 present a summary of the City's total operations including its wholly-owned utilities and general government operations. As shown in the detailed reports, The City of Edmonton succeeded in maintaining its financial position and preserving the levels of service to citizens.

In conclusion, the City continues its combined strategy of fiscal policies geared to long-term stability and efficient utilization of resources and expenditure constraints. As a result, the objective of maintaining levels of service and a sound financial position will continue for The City of Edmonton.

Respectfully submitted,



J.K. McAully
General Manager of Finance
and City Treasurer

Combined Financial Statements

Auditors' Report

To His Worship the Mayor and Members of Council of
The City of Edmonton

We have examined the combined balance sheets of The City of Edmonton as at December 31, 1983 and 1982 and the statements of combined revenues and expenditures, surplus, reserves for future expenditures, and combined changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these combined financial statements present fairly the financial position of The City of Edmonton as at December 31, 1983 and 1982 and the results of its operations and the changes in its financial position for the years then ended in accordance with the accounting principles set out in the Summary of Significant Accounting Policies applied, after giving retroactive effect to the change in the method of accounting for the Edmonton Convention Centre as explained in Note 8, on a consistent basis.

Peat, Marwick, Mitchell & Co.

Edmonton, Canada
May 28, 1984

Chartered Accountants

Combined Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
ASSETS		
Current Assets		
Short-term investments (net) — at cost (Note 1)	$ 77,119	$ 44,045
Investments held in the Reserve Fund — at market (Note 2)	27,403	23,935
Taxes receivable less allowance for uncollectible taxes	56,703	55,305
Due from other governments	9,094	12,187
Accounts receivable less allowance for doubtful accounts	80,561	83,167
Inventory of materials and supplies — at average cost	24,349	24,673
Resale land inventory — at cost	129,152	106,801
Deferred charges	12,734	15,454
	417,115	365,567
Land held for future municipal purposes	99,900	109,869
Deferred foreign exchange costs (Note 4)	8,428	10,178
Local improvement costs recoverable from property owners	186,119	170,593
Sinking Fund investments held for retirement of debentures	30,515	25,661
Property, plant and equipment (Note 3)	2,250,012	1,966,674
	$2,992,089	$2,648,542

	1983	1982
LIABILITIES		
Current Liabilities		
Bank overdraft	$ 22,090	$ 19,658
Accounts payable and accruals	143,693	132,672
Accrued interest on long-term debt	60,406	51,554
Deferred revenue	13,277	5,594
Utility deposits	5,100	5,284
Advances for construction	8,415	6,859
Investment certificates		54
	252,981	221,675
Long-term debt (Note 4)	1,741,948	1,530,341
Reserves for future expenditures	51,034	42,733
SURPLUS		
Contributed capital surplus — customers and governments	557,611	499,800
Current revenue surplus (Note 5)	2,609	6,096
Retained earnings — Utilities	159,400	144,514
Retained earnings — Transit	2,130	2,130
Retained earnings — Mill Woods land development enterprise	104,463	101,937
Retained earnings — Equipment Pool	32,908	27,254
General surplus invested in assets	20,000	18,510
Deficit — Research and Development Park Authority	(464)	(233)
Excess Sinking Fund earnings	16,871	14,181
Surplus on land sales reinvested in land	50,598	39,604
	946,126	853,793
Commitments and contingencies (Notes 6 and 7)		
	$2,992,089	$2,648,542

See accompanying notes to financial statements.

Statement of Combined Revenues and Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
REVENUES:		
General Government:		
Municipal taxation	$ 246,956	$ 224,781
Education taxation and grants	164,689	154,478
Government grants	62,731	60,340
Franchise tax and dividends from utilities	49,373	44,323
Franchises and rent	24,289	24,335
Service fees and other	21,360	18,293
Licenses, permits and parking	10,503	11,959
Fines	7,824	7,231
Interest	18,177	15,465
	605,902	561,205
Transfers:		
From reserves for future expenditures	4,052	2,900
From Mill Woods retained earnings	7,482	
From previous years' surplus	5,250	13,750
	622,686	577,855
Utilities:		
Power	223,566	186,776
Telephones	180,171	153,547
Water	51,127	44,427
Sanitary Sewer	24,700	22,886
Airport	7,335	8,096
	486,899	417,734
Add other item:		
Sanitary Sewer — operating grants	59	
	486,958	417,734
Less: Franchise tax and dividends to general government revenue	49,373	44,323
	437,585	373,411
Edmonton Transit:		
Revenue	36,043	27,796
Provincial Operating grant	5,526	5,300
Amortization of contributions	3,842	3,830
	45,411	36,926
Mill Woods Land Development Enterprise	12,191	29,346
Land Revolving Fund	51,575	17,386
Edmonton Convention Centre	2,083	
Edmonton Ambulance Authority	3,950	3,406
Research and Development Park Authority		249
Other:		
Earnings on investments held in The City of Edmonton Reserve Fund	1,380	4,079
Excess Sinking Fund earnings	2,690	3,279
Net earnings on Equipment Pool	3,162	3,247
	7,232	10,605
	$1,182,713	$1,040,184

	1983	1982
EXPENDITURES:		
General Government:		
Education	$ 164,689	$ 154,478
Debt charges	54,807	44,688
Police, fire and bylaw enforcement	126,391	116,797
Parks and recreation	55,945	50,610
Social services	10,855	9,696
Garbage collection and storm sewer	14,289	14,686
Roadway services	49,653	50,965
General municipal government	46,509	41,565
City Council and Mayor's Office	1,214	1,269
Transit — net operating expenditures	53,144	48,978
Edmonton Public Library Board	10,245	9,886
Edmonton Ambulance Authority	1,467	1,399
Convention Centre	4,377	4,059
World University Games	5,854	1,638
Provision for uncollectible business taxes	4,879	1,257
Assessment appeal tax reductions	1,601	6,778
	606,019	558,751
Transfers:		
To Capital Expenditure Tax Levies Reserve	9,000	8,300
To Municipal Grants Reserves	4,404	8,774
To Reserve for Snow Removal	1,500	
	620,923	575,775
Utilities:		
Power	209,696	188,007
Telephones	173,983	150,560
Water	46,474	43,254
Sanitary Sewer	25,051	21,972
Airport	5,814	5,727
	461,018	409,520
Less: Franchise tax and dividends to general government	49,373	44,323
Amortization of contributions	1,952	1,768
	51,325	46,091
	409,693	363,429
Edmonton Transit:		
Expenditures	98,555	85,904
Less: Transfer of net operating expenditures to general government expenditures	53,144	48,978
	45,411	36,926
Mill Woods Land Development Enterprise	2,183	11,339
Land Revolving Fund	40,581	22,743
Edmonton Convention Centre	6,685	
Less: Transfer from Edmonton Convention Centre reserve for future expenditures	4,602	
	2,083	
Edmonton Ambulance Authority	5,417	4,805
Less: Transfer of Edmonton Ambulance Authority deficit to general government expenditures	1,467	1,399
	3,950	3,406
Research and Development Park Authority	231	366
Excess of Revenues Over Expenditures Transferred to Surplus:		
Current revenue surplus	1,763	2,080
Utilities	27,892	9,982
Mill Woods land development enterprise	10,008	18,007
Land Revolving Fund surplus (deficit)	10,894	(5,357)
Research and Development Park Authority	(231)	(117)
General surplus	1,380	4,079
Excess Sinking Fund earnings	2,690	3,279
Equipment Pool	3,162	3,247
	57,658	35,200
See accompanying notes to financial statements.	$1,182,713	$1,049,184

Statement of Reserves for Future Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	Municipal Housing Incentive Grants	Non-Profit Housing	Redevelopment Levy	Parkland Reserve Trust	Cemetery Perpetual Care
	1983	1983	1983	1983	1983
Balance — January 1	$13,686	$2,500	$1,861	$1,054	$1,355
Source of funds:					
Current year tax levy					
Donations for specific purposes			369	56	84
Provision for assessment appeals					
Transfer from self-insurance operations					
Depreciation charged to operations					
Surplus on operations				485	
Sale of assets				398	
Surplus on local improvement construction					
Transfer from other Reserves					
Transfer from surplus					
Transfer from general revenues	4,404				
Interest earned				154	119
Total Source of Funds	4,404		369	1,093	203
Use of funds:					
Capital expenditures				1,413	
Donations for specific purposes applied			568		292
Transfer to operations	4,052				
Purchase of equipment					
Transfer to other reserves					
Transfer to finance capital expenditures					
Total Use of Funds	4,052		568	1,413	292
Balance — December 31	$14,038	$2,500	$1,662	$ 734	$1,266

Self-Insurance Fund	Capital Expenditure Tax Levies	Provision for Assessment Appeals	Snow Removal	Equipment	School Campus Sites	Heritage Festival Park and Edmonton Museum	Parks and Recreation General	Convention Centre Reserve	Other Reserves	Total	
1983	1983	1983	1983	1983	1983	1983	1983	1983	1983	1983	1982
$5,757	$2,100	$2,300	$	$1,948	$ 953	$2,283	$4,635	$	$2,301	$42,733	$38,191
	9,000							4,377		13,377	8,300
				102	245	211	5,363		1,894	8,324	13,325
											1,818
2,261										2,261	1,325
				53						53	46
									11	496	153
				240					16	654	1,243
											85
									85	85	277
								2,527		2,527	
			1,500							5,904	8,724
557								557	34	1,421	1,196
2,818	9,000		1,500	395	245	211	5,363	7,461	2,050	35,112	36,482
									140	1,553	2,262
				303	140	303	5,515		198	7,319	16,991
								4,602	22	8,676	2,900
				168						168	671
					95					95	277
	9,000									9,000	8,849
	9,000			471	235	303	5,515	4,602	360	26,811	31,950
$8,575	$2,100	$2,300	$1,500	$1,872	$ 963	$2,191	$4,483	$2,859	$3,991	$51,034	$42,733

See accompanying notes to financial statements.

Statement of Surplus

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
Contributed capital surplus — customers and governments (Note 8):		
Balance — January 1		
As previously reported	$478,093	$431,888
Prior period adjustment	21,707	16,230
As restated	499,800	448,118
Add — Government grants	45,101	27,287
Customer contributions	23,617	32,654
Interest earned on government grant	49	
	68,767	59,941
Deduct — Amortization of contributions	8,429	8,259
Transfer to reserves for future expenditures	2,527	
	10,956	8,259
Balance — December 31	557,611	499,800
Current revenue surplus (Note 5):		
Balance — January 1	6,096	17,766
Add — Excess of revenues over expenditures for the year	1,763	2,080
Deduct — Transfer to current year's budget	2,000	13,000
Transfer to World University Games	3,250	750
	5,250	13,750
Balance — December 31	2,609	6,096
Retained earnings — Utilities:		
Balance — January 1	144,514	147,836
Add — Excess of revenues over expenditures for the year	27,892	9,982
Less — Dividend payments to general government revenue	13,006	13,304
Balance — December 31	159,400	144,514
Retained earnings — Transit:		
Balance — January 1	2,130	2,130
Add — Excess of expenditures over revenue for the year	53,144	48,978
Less — Transfer of excess expenditures over revenue to general government expenditures	53,144	48,978
Balance — December 31	2,130	2,130

	1983	1982
Retained earnings — Mill Woods land development enterprise:		
Balance — January 1	101,937	83,930
Add — Net income for the year	10,008	18,007
Less — Transfer to general government revenue	7,482	
Balance — December 31	104,463	101,937
Retained earnings — Equipment Pool:		
Balance — January 1	27,254	21,515
Add — Excess of revenues over expenditures for the year	2,777	2,736
Net equipment disposal proceeds	385	511
Amortization of contributions	2,492	2,492
	5,654	5,739
Balance — December 31	32,908	27,254
General surplus invested in assets:		
Balance — January 1	18,510	14,431
Add — Excess of revenues over expenditures for the year	1,380	4,079
Net additions to assets	110	
	1,490	4,079
Balance — December 31	20,000	18,510
Deficit — Research and Development Park Authority:		
Balance — January 1	(233)	(116)
Less — Deficit for the year	(231)	(117)
Balance — December 31	(464)	(233)
Excess Sinking Fund earnings:		
Balance — January 1	14,181	10,902
Add — Excess earnings for the year	2,690	3,279
Balance — December 31	16,871	14,181
Surplus on land sales reinvested in land:		
Balance — January 1	39,604	44,961
Add — Net profit (loss) for the year	10,994	(5,357)
Balance — December 31	50,598	39,604
Total surplus	$946,126	$853,793

See accompanying notes to financial statements.

Combined Statement of Changes in Financial Position

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
FUNDS PROVIDED FROM:		
Operations:		
Current revenue surplus	$ 1,763	$ 2,080
Less: transfer from pervious year's surplus	(5,250)	(13,750)
transfer from reserves for future expenditures	(8,676)	(2,900)
Add: transfer to reserves	5,904	8,724
transfer to Self-Insurance Reserve	2,261	1,325
	(3,998)	4,521
Net income retained in Utilities	14,886	(3,322)
Net income retained in Mill Woods	2,526	18,007
General surplus invested in assets	1,490	4,079
Excess Sinking Fund earnings	2,690	3,279
Surplus on land sales reinvested in land	10,994	(5,357)
Net income retained in Equipment Pool	3,162	3,247
Net income retained in Research and Development Park Authority	(231)	(117)
Depreciation net of amortization of contributions	85,846	76,055
	117,365	91,350
Convention Centre business tax levy	4,377	4,059
Capital expenditures levy	9,000	8,300
Debenture borrowings	282,322	376,242
Contributions for capital construction	6,510	12,270
Disposal of equipment	5,842	17,401
Government grants and reserves	79,470	105,879
	504,886	615,501
FUNDS APPLIED TO:		
Capital expenditures including local improvements	398,073	495,112
Repayment of debentures including Sinking Fund payments and earnings	72,709	36,931
Convention Centre capital expenditures	13,862	31,622
Increase in working capital	20,242	51,836
	$504,886	$615,501

Summary of Significant Accounting Policies

December 31, 1983 and 1982

A. Financial Statement Presentation

The Combined Financial Statements include the assets and liabilities, revenues and expenditures, reserves and surplus of those City funds and governmental functions or entities which have been determined to comprise a part of the aggregate City operations. This combination has been based on the responsibility and control exercised by the City over these entities. The General Government operations, Mill Woods land development enterprise, the Land Revolving Fund, the Equipment Pool, Edmonton Transit, the Edmonton Utilities, the Edmonton Convention Centre, the Edmonton Research and Development Park Authority, the Edmonton Ambulance Authority, the Edmonton Economic Development Authority, the Sinking Fund of The City of Edmonton, and the Reserves Fund of The City of Edmonton are included in this combination.

The Edmonton Convention and Tourism Authority, created by an Act of the Provincial Legislature, is included in the Combined Financial Statements to the extent of the provision of funds for its operations as approved by City Council.

The Edmonton Public Library Board, the Local Board of Health and the Royal Alexandra Hospitals are administered by separate boards. The City of Edmonton owns certain of their fixed assets and as such these assets are included in the Combined Financial Statements to the extent that related debenture borrowings are outstanding.

School administration is completely independent from the City Council and subject to control by the Provincial Government pursuant to the provisions of the School Act. The only relationship between the School Boards and The City of Edmonton is that the City is obligated to provide funds raised by taxes deemed necessary by these two Boards. Thus, the Edmonton Public School District No. 7 and the Edmonton R.C. Separate School District No. 7 are not included in the Combined Financial Statements.

The Edmonton Exhibition Association Limited is a non-profit company incorporated under the Laws of Alberta. The City of Edmonton owns the land on which all the Association properties are situated. The assets and operations of the Edmonton Exhibition Association Limited are not included in the Combined Financial Statements.

The City of Edmonton Non-Profit Housing Corporation was continued as a limited company under the Business Corporations Act of Alberta. The corporation is not included in the Combined Financial Statements and accordingly $46,397,000 of mortgages which are secured by $46,703,000 of assets of the corporation, are not reflected in the Combined Balance Sheet.

The Pension Fund of The City of Edmonton is comprised of the assets and liabilities under the control of the Trustees of The City of Edmonton Pension Fund. The accounts of the Pension Fund are not included in the Combined Financial Statements.

B. General Accounting Principles and Practices

The City of Edmonton organizes and operates its accounting system to segregate accounts and related transactions into functions which relate to the purpose for carrying on the specific activities. These functions are separated as follows:

(i) General Government Operations, to account for the acquisition and financing of capital facilities, other assets, and the various sources of revenues and expenditures, the payment of interest and principal on long-term debt, in accordance with the usual accounting principles and practices for the operation of conventional municipal services.

(ii) In addition to the regular municipal operations, the City organizes and operates as accounting entities, the following Edmonton Utilities:

Edmonton Power
'edmonton telephones'
Edmonton Water
Edmonton Sanitary Sewage System
Edmonton Municipal Airport

The administration endeavours to ensure that the users pay the full cost of the utility facilities and services, including an adequate return on capital invested. In accordance with the City's fiscal policy each utility pays to the City's General Municipal revenues an annual revenue tax and a dividend based on each Utility's opening equity.

Summary of Significant Accounting Policies — cont'd.

(iii) The Edmonton Transit System operates under a partial user pay philosophy in accordance with the policy of City Council, whereby services are offered at rates which are insufficient to meet all costs of operations.

(iv) The Mill Woods land development project, owned and operated by the City, is considered a municipal enterprise for accounting purposes. The financing concept for this undertaking is that of a self-liquidating nature, with the proceeds from the sale of land being sufficient to offset land acquisition and servicing costs and to provide funds for the City Council approved Debt Management Policy.

(v) The Land Revolving Fund includes the land inventory held for resale, but excludes land held for future municipal purposes.

(vi) The Equipment Pool includes the vehicle and equipment operations for The City of Edmonton. Revenues are derived from charges made to user departments and the excess of revenues over expenditures is retained for the replacement of vehicles and equipment.

(vii) The City also maintains the Special Funds, each to account for the proceeds of specific revenue sources or to finance specified activities. The Sinking Fund maintains funds required to meet the City's redemption requirements of future years and is included in the Combined Financial Statements. The Reserve Fund is comprised of funds established to finance various specified activities and is included in the Combined Financial Statements. The Pension Fund maintains the net assets of the pension plans under the control of the Trustees of The City of Edmonton Pension Fund, and is not included in the Combined Financial Statements.

(viii) A number of activities of the City are carried out through authorities created by Acts of the Provincial Legislature.

The Edmonton Research and Development Park Authority for the purpose of operating research and development parks in the City;

The Edmonton Ambulance Authority for the purpose of developing, maintaining, managing and operating an ambulance service in the City;

The Edmonton Convention Centre Authority for the purpose of developing, maintaining, managing and operating a Trade and Convention Centre in the City;

The Edmonton Economic Development Authority for the purpose of promoting and developing the economic growth of the City in a manner consistent with general economic development policies for the City approved by Council;

The Edmonton Convention and Tourism Authority for the purpose of promoting and developing the convention and tourism industry in the City in a manner consistent with a general convention and tourism policy for the City approved by Council.

C. Property, Plant and Equipment

(i) Municipal

The Fixed Assets employed in General Municipal operations are originally recorded at an amount equal to the debenture borrowings apart from the Storm and Solid Waste accounts, the Equipment Pool and the Convention Centre. These Fixed Assets are recorded at gross cost, including any portions financed by developer contributions and government grants. Fixed Assets are depreciated at an amount equal to principal repayment, except for the Equipment Pool for which depreciation is based upon estimated useful life. The term of the debenture borrowings is generally equal to the estimated useful life of the asset.

(ii) Utilities and Edmonton Transit

These Fixed Assets are recorded at gross cost, regardless of financing sources. Interest on funds used during construction is capitalized at short-term borrowing rates. Depreciation is recorded on the gross cost of plant and equipment in service based upon the estimated useful lives of the assets. The Sanitary Sewer System is depreciated at an amount equal to the principal payments on the related borrowings.

Summary of Significant Accounting Policies — cont'd.

D. Local Improvement Costs Recoverable From Property Owners
These receivables originate with local improvements authorized by property owners and are undertaken by the City. The construction costs and borrowing costs are recovered through annual special property assessments during the period of the related borrowings.

E. Interest Charges on Long-Term Debt
The City records accrued interest on all outstanding long-term debt.

F. Deferred Revenue
Deferred revenue is composed of advance payments on lease rentals of telephone equipment, one month advance billings charged by 'edmonton telephones' for telephone rentals to residential customers, and advance sales of Edmonton Transit Passes.

G. Vacation and Sick Benefit Plans
Vacation and sick benefit costs are recorded on a cash basis.

H. Reserves for Future Expenditures
These reserves represent amounts set aside for future municipal operating and capital expenditures. Additions thereto include profits on certain municipal operations, and donations for specific purposes. The principal decreases in these reserves include the cost of certain fixed asset additions.

I. Surplus on Land Sales Reinvested in Land
In accordance with the direction of City Council, profits from General Municipal land transactions are maintained in a surplus account for the purpose of providing funds for the acquisition of land inventory for general municipal purposes and resale.

J. Policy for Recording Foreign Exchange on Long-Term Debt
The City follows a policy of translating all debt issued in foreign currencies at year end exchange rates and all unrealized gains or losses are deferred. For debt related to General Government operations, the realized exchange gain or loss is charged against the current year's operations. In the utility accounts, gains or losses, realized and unrealized, incurred on foreign exchange on long-term debt repayment are deferred and amortized over the remaining life of the related long-term debt.

K. Contributed Capital Surplus
Contributions received from other governments and utility customers in aid of construction are recorded as contributed capital surplus for the Utilities and also for Storm Sewers and Solid Waste disposal.

Except for Sanitary Sewer Utility and Storm and Solid Wastes, the contributed capital surplus on depreciable assets is being amortized to income over the remaining life of the assets.

Notes to Financial Statements

December 31, 1983

NOTE 1. SHORT-TERM INVESTMENTS (NET)

The following balances represent the City's net short-term money market investment position.

(in thousands of dollars)

	1983	1982
Cash	$ 2,008	$ 266
Short-term investments (notes receivable)	76,625	44,782
	78,633	45,048
Less: Notes payable	1,514	1,003
Net investment position	$77,119	$44,045

NOTE 2. INVESTMENTS HELD IN THE RESERVE FUND

$10,887,000 of the Investments held in the Reserve Fund are designated to fund Reserves for Future Expenditures.

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

(in thousands of dollars)

A. The components of capital assets are as follows:

	1982	Net Additions	Grants Contributions, etc.	1983
General municipal*	$ 228,614	$ 65,855	$ 40,118	$ 254,351
Storm and solid wastes system	286,020	20,358		306,378
Edmonton Public Library*	5,858	1,250	414	6,694
Glenrose and Royal Alexandra Hospitals	5,230			5,230
Local Board of Health	540			540
Equipment Pool	80,129	4,167		84,296
Convention Centre	66,366	13,862		80,228
Ambulance	1,195	230		1,425
Mill Woods	16,505	441		16,946
Transit	273,476	37,400		310,876
Utilities	1,509,169	266,321		1,775,490
Total Assets	2,473,102	$ 409,884	$ 40,532	2,842,454
Less: Accumulated depreciation	506,428			592,442
Total Net Assets	$1,966,674			$2,250,012

* In accordance with the stated general accounting principles and practices the grants and contributions for General Municipal Fixed Assets are deducted from the related costs. The amounts deducted during the year were as follows:

	1983	1982
Other grants and contributions	$40,532	$86,103

B. Depreciation charged to operations for the year including local improvements and net of amortization of contributions — $85,846 | $76,055

Notes to Financial Statements — cont'd.

NOTE 4. LONG-TERM DEBT

A. Included in long-term debt is $16,036,883 of debentures which are secured by various public housing sites.

Debt payable at December 31 includes the following amounts:

	1983	1982
In Canadian dollars	**$1,713,576**	$1,499,532
In U.S. dollars	**22,800**	25,073
Total long-term debt	**1,736,376**	1,524,605
Provision for foreign exchange	**5,572**	5,736
Total	**$1,741,948**	$1,530,341

Principal payments on long-term debt for the next five years are as follows:

	(in thousands of dollars)				
	1984	1985	1986	1987	1988
General Government	$28,519	$31,705	$34,054	$37,547	$23,477
Local Improvements	6,286	6,106	6,313	6,457	6,092
Utilities	38,296	41,254	44,326	47,911	38,333
Mill Woods	666	705	746	791	838
	$73,767	$79,770	$85,439	$92,706	$68,740

B. Debt payable in foreign currencies is recorded at the prevailing exchange rate at December 31. The deferred foreign exchange costs represent:

	(in thousands of dollars) 1983	1982
(i) The unamortized amount pertaining to U.S. issues to be charged to operations over the remaining life of the loans	**$ 3,320**	$ 3,368
(ii) The unamortized loss pertaining to the fully redeemed Swiss issue to be recovered from future 'edmonton telephones' and Edmonton Power rates over the remaining life of the original loan (1984 - 1986)	**5,108**	6,810
	$ 8,428	$10,178

C. Interest on long-term debt charged to operations:	(in thousands of dollars) 1983	1982
General Government	**$ 49,943**	$ 42,326
Local Improvements	**20,428**	15,899
Utilities	**107,692**	86,347
Mill Woods land development enterprise	**111**	1,292
	$178,174	$145,064

D. Existing long-term debt matures in annual amounts to the year 2020 and debenture interest is payable, before Provincial subsidy, at rates ranging from 3.50% to 19.00% per annum. The average annual interest rate is 12.78% for 1983 and 12.68% for 1982, before rebate.

E. The Province of Alberta rebates interest paid on current debenture issues, except for the Power and Telephone Systems. However, the Province is imposing restrictions in order to phase out the rebate program. Rebates continue for the full duration of all debt issues to March 31, 1982, on interest in excess of 11% (8% on issues between January 1, 1974 and March 17, 1980, and 9% on issues through to March 27, 1981). Rebates on eligible issues from March 31, 1982 to March 31, 1986 are limited to a maximum of 6%, and in some cases, a duration of 5 years. No issues after March 31, 1986 are eligible for interest rebates.

Notes to Financial Statements — cont'd.

NOTE 5. SURPLUS

Distribution of Surplus

The current revenue surplus as at December 31 is designated as follows:

	(in thousands of dollars) 1983	1982
Budgeted for reduction of taxes	$	$2,000
Appropriated for World University Games		3,250
Retained for future years' revenue stabilization	2,609	846
	$2,609	$6,096

NOTE 6. COMMITMENTS

A. Subsequent to December 31, 1983, City Council approved a 1984 capital budget of $502,096,000 which is to be funded as follows:

	(in thousands of dollars)
Reserves, Grants and Developer Contributions	$116,235
Self-liquidating debentures	344,010
Pay-as-you-go Funds	9,000
Tax supported debentures	32,851
	$502,096

Capital expenditures related to Genesee Power Project represent $201,143,000 of the 1984 capital budget. The City will require additional funds of $680,390,000 from 1985 to 1989.

B. Leases

Prior to December 31, 1978, certain Transit buses had been financed through sale and leaseback arrangements. These leases were not accounted for as capital leases and therefore are not included in the balance sheet. The assets and liabilities that would have been included had the leases been accounted for as capital are:

	(in thousands of dollars) 1983	1982
Assets		
Equipment under capital lease (cost)	$16,116	$16,116
Less: accumulated depreciation	6,599	5,518
	$ 9,517	$10,598
Liabilities		
Capital lease	$11,345	$12,267

Had the leased buses been recorded as capital, they would have been amortized on a straight-line basis, over their economic life of 15 years. Because they were not recorded as capital, the net income is greater by $159,071 in 1983 and $223,897 in 1982.

C. Pension Plans

All employees of The City of Edmonton, with the exception of Policemen, are members of the Local Authorities Pension Plan of the Province of Alberta. Policemen are members of the Special Forces Pension Plan of the Province of Alberta. In both Plans, the City is only responsible for deducting and remitting monthly contributions.

The City is responsible for the pension requirements of those members who were retired at the time the City's Pension Plan was transferred to the Province of Alberta. Also, a Supplementary Pension Plan exists for Firemen with the City required to make contributions. Based upon the most recent actuarial reports the City's aggregate unfunded liability for the above funds, amounts to approximately $16,725,000 as of December 31, 1983.

Notes to Financial Statements — cont'd.

At the time of transfer of the General Pension Fund to the Local Authorities Pension Plan approximately $10,000,000 was not transferred. This amount relates to employers' contributions prior to the date of transfer. Certain employee associations have commenced legal action for the recovery of these funds. A proposed settlement is before the courts. This settlement is tentative and must be approved by the courts. As at December 31, 1983 these funds are included in the net assets of the Pension Fund of The City of Edmonton.

D. Vacation and Sick Pay Benefit Plans

The City's vacation and sick benefit costs are recorded on a cash basis. Accordingly, an accrued liability for vacation pay at December 31, 1983 of approximately $24,000,000 has not been reflected in the Combined Financial Statements. An actuarial report of the City's liability for the sick benefit plan as at December 31, 1983 is scheduled to be completed in September, 1984. The Combined Financial Statements do not reflect an accrued liability for this plan.

NOTE 7. CONTINGENCIES

The City is defendant in various lawsuits as of December 31, 1983. While it is impossible to estimate the ultimate liability with respect to the pending litigation, the City Solicitor believes there will be no material adverse effect on the financial position of the City. In the opinion of the City Solicitor, however, adverse decisions with respect to certain of the actions could result in ultimate liability to the City of the order of $17,000,000.

NOTE 8. PRIOR PERIOD ADJUSTMENT

The accounting policy for the Edmonton Convention Centre has been changed to reflect the full cost of the building and the contributions toward the acquisition of the asset.

As a result contributed capital surplus at December 31, 1982 has been adjusted by the cumulative amount of contributions and grants toward the financing of the asset to that date; $5,477,000 of the adjustment is applicable to 1982 and has been reported as a contribution to contributed capital surplus in that year. The remainder is applicable to years prior to January 1, 1982 and the balance of contributed capital surplus at that date has been adjusted accordingly.

NOTE 9. RECLASSIFICATION

Certain 1982 figures have been restated, primarily as a result of the classification of the Land Revolving Fund and Edmonton Transit as separate entities. The land in the Land Revolving Fund is classified as resale land inventory (at cost) in current assets. General Government land is classified as land held for future municipal purposes. Edmonton Transit represents a reclassification of $2,130,000 retained earnings from Utilities retained earnings.

The financing of capital expenditures through the current revenue surplus is treated as a transfer to the capital expenditure tax levies reserve in the current year. The 1982 comparative figures have been restated; the transfer from the current revenue surplus has been reclassified as a transfer to the capital expenditure tax levies reserve in the expenditure statement. As a result, the 1982 transfer to the Current Revenue Surplus previously reported as $4,080,000 has been decreased by $2,000,000 to reflect the inclusion of this amount in expenditures.

Comments on Supplementary Financial Information

We have reported to the Mayor and Members of Council on our examination for the purpose of expressing an opinion on the combined financial statements of The City of Edmonton for the year ended December 31, 1983.

We do not express an opinion on the following schedules since our examination did not extend to the detailed information therein.

Edmonton, Canada
May 28, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Analysis of Combined Balance Sheet

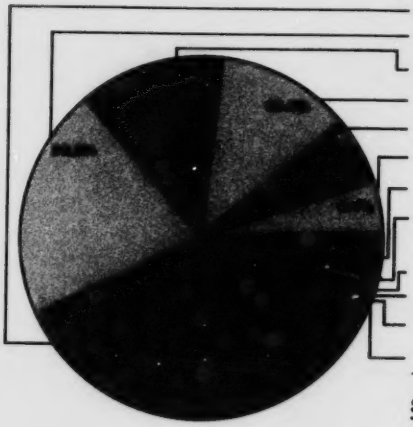
December 31, 1983
(in thousands of dollars)

	General Government	Mill Woods Land Development Enterprise	Land Revolving Fund
	1983	1983	1983
ASSETS			
Current Assets			
Short-term investment (net) — at cost	$ 76,793	$	$
Investments held in the Reserve Fund — at market	16,516		
Taxes receivable less allowance for uncollectible taxes	56,703		
Due from other governments	9,094		
Accounts receivable less allowance for doubtful accounts	20,129	1,885	
Inventory of materials and supplies — at average cost	5,281		
Resale land inventory — at cost		8,991	106,858
Deferred charges	7,020		
Inter-operation balance	(11,949)	87,526	(56,260)
	179,587	98,402	50,598
Land held for future municipal purposes	99,900		
Deferred foreign exchange costs	1,491		
Local improvement costs recoverable from property owners	186,119		
Sinking Fund investments held for retirement of debentures	755	95	
Property, plant and equipment	472,543	16,946	
	$940,395	$115,443	$ 50,598
LIABILITIES			
Current Liabilities			
Bank overdraft	$ 22,052	$	$
Accounts payable and accruals	104,942	739	
Accrued interest on long-term debt	18,815		
Deferred revenue			
Utility deposits			
Advances for construction	5,416		
Investment certificates			
	151,225	739	
Long-term debt	524,480	10,241	
Reserves for future expenditures	37,288		
SURPLUS			
Contributed capital surplus — customers and governments	204,783		
Current revenue surplus	2,609		
Retained earnings — Utilities			
Retained earnings — Transit			
Retained earnings — Mill Woods land development enterprise		104,463	
Retained earnings — Equipment Pool			
General surplus invested in assets	20,000		
Deficit — Research and Development Park Authority			
Excess Sinking Fund earnings			
Surplus on land sales reinvested in land			50,598
	227,402	104,463	50,598
	$940,395	$115,443	$ 50,598

Equipment Pool	Edmonton Transit	Combined Utilities	Convention Centre	Research and Development Park Authority	Edmonton Ambulance Authority	Sinking Fund of The City of Edmonton	Reserves Fund of The City of Edmonton	Combined Balance Sheet	
1983	1983	1983	1983	1983	1983	1983	1983	1983	1982
$	$ 97	$	$ 228	$	$ 1	$	$	$ 77,119	$ 44,045
							10,887	27,403	23,935
								56,703	55,305
								9,094	12,187
30	1,856	55,788	174	11	687		1	80,561	83,167
685	3,142	14,994	210		37			24,349	24,673
				13,303				129,152	106,801
121	67	5,356	143	1	26			12,734	15,454
10,578	(17,497)	(17,503)	2,818	2,605	(318)				
11,414	(12,335)	58,635	3,573	15,920	433		10,888	417,115	365,567
								99,900	109,869
		6,937						8,428	10,178
								186,119	170,593
		12,400				17,265		30,515	25,661
52,281	271,546	1,356,796	79,900					2,250,012	1,966,674
$ 63,695	$259,211	$1,434,768	$83,473	$15,920	$ 433	$17,265	$10,888	$2,992,089	$2,648,542
$	$	$	$	$	$ 38	$	$	$ 22,090	$ 19,658
101	5,009	31,172	648	377	310	394	1	143,693	132,672
1,109	3,824	36,658						60,406	51,554
	999	12,212	66					13,277	5,594
		5,100						5,100	5,284
		2,999						8,415	6,859
									54
1,210	9,832	88,141	714	377	348	394	1	252,981	221,675
26,484	75,586	1,048,479	40,671	16,007				1,741,948	1,530,341
			2,859				10,887	51,034	42,733
3,093	171,663	138,748	39,229		85			557,611	499,800
								2,609	6,096
		159,400						159,400	144,514
	2,130							2,130	2,130
								104,463	101,937
32,908								32,908	27,254
								20,000	18,510
				(464)				(464)	(233)
						16,871		16,871	14,181
								50,598	39,604
36,001	173,793	298,148	39,229	(464)	85	16,871		946,126	853,793
$63,695	$259,211	$1,434,768	$83,473	$15,920	$ 433	$17,265	$10,888	$2,992,089	$2,648,542

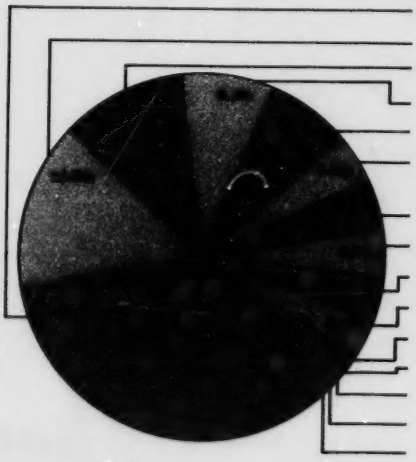
Combined Revenues and Expenditures — Source and Distribution 1983

SOURCE OF INCOME DOLLAR



$ 437,585	Utilities (37.0%)
246,956	Municipal Taxation (20.9%)
164,689	Education Taxation and Grants (13.9%)
148,310	Departmental Revenue (12.6%)
62,731	Government Grants (5.3%)
51,575	Land Revolving Fund (4.4%)
45,411	Edmonton Transit (3.8%)
12,191	Mill Woods Land Development Enterprise (1.0%)
3,950	Edmonton Ambulance Authority (0.3%)
3,162	Equipment Pool (0.3%)
2,083	Edmonton Convention Centre (0.2%)
4,070	Other (0.3%)
$1,182,713	

DISTRIBUTION OF INCOME DOLLAR



$ 409,693	Utilities (34.7%)
164,689	Education (13.9%)
126,391	Police, Fire and Bylaw Enforcement (10.7%)
98,555	Edmonton Transit (8.3%)
85,212	General Government and Other (7.2%)
57,658	Excess of Revenues over Expenditures Transferred to Surplus (4.9%)
55,945	Parks and Recreation (4.7%)
54,907	Debt Charges (4.6%)
49,653	Roadway Services (4.2%)
40,581	Land Revolving Fund (3.4%)
14,289	Garbage Collection and Storm Sewers (1.2%)
10,855	Social Services (0.9%)
6,685	Edmonton Convention Centre (0.6%)
5,417	Edmonton Ambulance Authority (0.5%)
2,183	Mill Woods Land Development Enterprise (0.2%)
$1,182,713	

General Government Financial Statements

Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
ASSETS		
Current Assets:		
Short-term investments (net) — at cost	**$ 76,793**	$ 43,963
Investments held in the Reserve Fund — at market	**16,516**	15,136
Taxes receivable less allowance for uncollectible taxes	**56,703**	55,305
Due from other governments	**9,094**	12,187
Accounts receivable less allowance for doubtful accounts	**20,129**	16,751
Inventory of materials and supplies — at average cost	**5,281**	5,804
Deferred charges	**7,020**	11,183
	191,536	160,329
Land held for future municipal purposes	**99,900**	109,869
Deferred foreign exchange costs	**1,491**	1,546
Local improvement costs recoverable from property owners	**186,119**	170,593
Sinking Fund investments held for retirement of debentures	**755**	625
General government property, plant and equipment — at cost less accumulated depreciation	**472,543**	434,769
	952,344	877,731
LIABILITIES		
Current Liabilities:		
Bank overdraft	**22,052**	19,515
Accounts payable and accruals	**104,942**	98,564
Due to other City operations	**11,949**	13,075
Advances for construction	**5,416**	3,515
Investment certificates		54
Accrued interest on long-term debt	**18,815**	15,745
	163,174	150,468
Long-term debt	**524,480**	477,417
Reserves for future expenditures	**37,288**	34,265
SURPLUS		
Contributed capital surplus — customers and governments	**204,793**	190,975
Current revenue surplus for reduction of taxation	**2,609**	6,096
General surplus invested in assets	**20,000**	18,510
	227,402	215,581
	$952,344	$877,731

Statement of Revenues and Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
REVENUES:		
Taxation:		
General municipal taxes	$164,761	$150,748
Business tax	53,653	47,997
Local improvement taxes	25,868	22,375
Other	2,674	3,661
	246,956	224,781
Government Grants:		
Municipal assistance	15,420	14,686
Police	9,941	9,468
Social services	6,831	6,142
Provincial government in lieu of taxes	9,668	6,499
Interest stabilization rebate	6,918	5,488
Federal municipal housing incentive		60
Federal government in lieu of taxes	2,016	2,008
Subsidized housing	1,841	1,221
Cultural and recreational	3,404	3,776
Provincial municipal housing incentive	4,404	8,664
Other	2,288	2,328
	62,731	60,340
Utility Contributions:		
Franchise tax	36,367	31,019
Dividends from Utilities	13,006	13,304
	49,373	44,323
Franchise and Rents:		
Gas franchise tax	18,068	19,533
Rental of City properties	6,023	4,671
Subsidy housing rentals	198	131
	24,289	24,335
Service Fees and Other:		
Parks and Recreation	11,949	10,016
Real Estate and Housing	2,791	2,851
Planning	742	1,203
Police	1,546	1,038
Engineering	586	609
Sanitation	1,264	1,115
Other	2,482	1,461
	21,360	18,293
Licenses, Permits and Parking:		
Parking operations	4,642	5,217
Licenses and permits	5,861	6,742
	10,503	11,959
Fines	7,824	7,231
Interest:		
Interest on investments and loans	5,282	6,787
Tax penalties net of discounts	12,895	8,678
	18,177	15,465
Total Municipal Revenue before transfers	441,213	406,727
Transfers:		
Transfer from Reserves for Future Expenditures	4,052	2,900
Transfer from Millwoods Retained Earnings	7,482	
Surplus from Previous Year	5,250	13,750
	16,784	16,650
Total Municipal Revenues	457,997	423,377
Education:		
Taxation	155,006	144,605
Government grants in lieu of taxes	9,683	9,873
	164,689	154,478
TOTAL REVENUES	$622,686	$577,855

Statement of Revenues and Expenditures — cont'd.

	1983	1982
EXPENDITURES:		
Debt Charges:		
General debt	$ 33,919	$ 25,855
Local improvement debt	20,988	18,833
	54,907	44,688
Protective Services:		
Police	70,249	64,999
Fire	49,584	45,220
Bylaw Enforcement	6,558	6,578
	126,391	116,797
Parks and Recreation	55,945	50,610
Social Services	10,855	9,698
Garbage Collection and Storm Sewer	14,289	14,686
Roadway Services:		
Roadway maintenance	18,440	14,948
Snow and ice removal	7,013	14,636
Street lighting	4,862	4,482
Traffic lights and signs	3,628	3,397
Offstreet parking	3,769	3,264
Street cleaning	3,857	3,329
Transportation systems design	5,130	4,329
Other	2,954	2,580
	49,653	50,965
General Municipal Government:		
Corporate management	34,574	31,145
City property management and maintenance	11,935	10,420
	46,509	41,565
City Council and Mayor's Office	1,214	1,269
Bus & Light Rail Transit Net Expenditures	53,144	48,978
Edmonton Public Library Board	10,245	9,886
Edmonton Ambulance Authority	1,467	1,399
Convention Centre	4,377	4,059
World University Games	5,854	1,638
Provision for uncollectible business taxes	4,879	1,257
Assessment appeal tax reductions	1,601	6,778
Transfers:		
Capital expenditures	9,000	8,300
Federal municipal housing incentive grant		60
Provincial municipal housing incentive grant	4,404	8,664
Reserve for snow removal	1,500	
	14,904	17,024
Total Municipal Expenditures	456,234	421,297
Education:		
Provincial School Foundation Act	36,928	36,626
Public School District No. 7	94,950	87,443
Separate School District No. 7	32,811	30,409
	164,689	154,478
TOTAL EXPENDITURES	620,923	575,775
TOTAL REVENUES	622,686	577,855
Excess of revenues over expenditures	$ 1,763	$ 2,080

Statement of Reserves for Future Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	Municipal Housing Incentive Grants	Non-Profit Housing	Redevelopment Levy
	1983	1983	1983
Balance — January 1	$13,686	$ 2,500	$ 1,861
Source of funds:			
Current year tax levy			
Donations for specific purposes			369
Provision for assessment appeals			
Depreciation charged to operations			
Surplus on operations			
Sale of assets			
Surplus on local improvement construction			
Transfer from other Reserves			
Transfer from general revenues	4,404		
Interest earned			
Total Source of Funds	4,404		369
Use of funds:			
Capital expenditures			
Donations for specific purposes applied			568
Transfer to operations	4,052		
Purchase of equipment			
Transfer to other reserves			
Transfer to finance capital expenditures			
Total Use of Funds	4,052		568
Balance — December 31	$14,038	$ 2,500	$ 1,662

Capital Expenditure Tax Levies	Provision for Assessment Appeals	Snow Removal	Parks and Recreation General	Equipment	School Campus Sites	Heritage Festival Parks and Edmonton Museum	Other Reserves	Total	
1983	1983	1983	1983	1983	1983	1983	1983	1983	1982
$ 2,100	$ 2,300	$	$ 4,635	$ 1,948	$ 953	$ 2,283	$ 1,999	$34,265	$30,325
9,000								9,000	8,300
			5,363	102	245	211	1,894	8,184	13,253
									1,818
				53				53	46
							11	11	153
				240			16	256	1,243
									85
							95	95	277
		1,500						5,904	8,724
							2	2	36
9,000		1,500	5,363	395	245	211	2,018	23,505	33,935
							140	140	706
			5,515	303	140	303	198	7,027	16,869
								4,052	2,900
				168				168	671
					95			95	
9,000								9,000	8,849
9,000			5,515	471	235	303	338	20,482	29,995
$ 2,100	$ 2,300	$ 1,500	$ 4,483	$ 1,872	$ 963	$ 2,191	$ 3,679	$37,288	$34,265

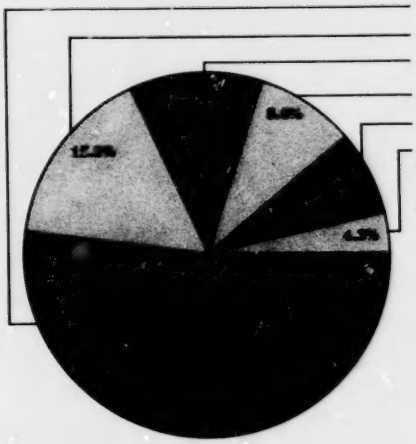
Statement of Surplus

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
Contributed capital surplus — customers and governments:		
Balance — January 1	**$190,975**	$176,622
Add — Government grants	**2,246**	2,549
Customer contributions	**11,616**	11,848
	13,862	14,397
Deduct — Amortization of contributions	**44**	44
Balance — December 31	**204,793**	190,975
Current revenue surplus:		
Balance — January 1	**6,096**	17,766
Add — Excess of revenues over expenditures for the year	**1,763**	2,080
Deduct — Transfer to current year's budget	**2,000**	13,000
Transfer to World University Games	**3,250**	750
	5,250	13,750
Balance — December 31	**2,609**	6,096
General surplus invested in assets:		
Balance — January 1	**18,510**	14,431
Add — Excess of revenues over expenditures for the year	**1,380**	4,079
Net additions to assets	**110**	
	1,490	4,079
Balance — December 31	**20,000**	18,510
Total surplus	**$227,402**	$215,581

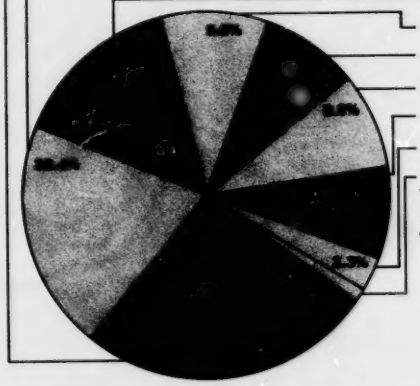
General Government Revenue and Expenditures — Source and Distribution 1983

SOURCE OF INCOME DOLLAR



$322,441	Realty Taxes (51.8%)
98,937	Departmental Revenue (15.9%)
72,414	Government Grants (11.6%)
53,653	Business Taxes (8.6%)
49,373	Utility Contributions (7.9%)
25,868	Local Improvement Taxes (4.2%)
$622,686	

DISTRIBUTION OF INCOME DOLLAR



$164,689	Education (26.5%)
126,391	Police, Fire and Bylaw Enforcement (20.4%)
91,050	General Government and Other (14.7%)
55,945	Parks and Recreation (9.0%)
54,907	Debt Charges (8.8%)
53,144	Transit – Net Operating Expenditures (8.6%)
49,653	Roadway Services (8.0%)
14,289	Garbage Collection and Storm Sewers (2.3%)
10,855	Social Services (1.7%)
$620,923	

Mill Woods Land Development Enterprise Financial Statements

MILL WOODS LAND DEVELOPMENT ENTERPRISE

Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
ASSETS		
Accounts receivable	$ 1,885	$ 2,161
Due from The City of Edmonton — General Government	87,526	87,971
Land inventory — at cost	8,991	9,242
	98,402	99,374
Recoverable land servicing costs	16,946	16,505
Sinking Fund investments held for retirement of debentures	95	63
	115,443	115,942
LIABILITIES		
Accounts payable and accruals	739	887
Long-term debt	10,241	13,118
EQUITY		
Retained earnings	104,463	101,937
	$115,443	$115,942

Statement of Revenues and Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

REVENUE:		
Sales	$ 4,253	$ 19,359
Interest income	7,938	9,987
	12,191	29,346
EXPENDITURES:		
Land cost	251	583
Servicing cost	517	7,708
Project management	32	307
Administration	1,272	1,449
	2,072	10,047
Net income before interest charges	10,119	19,299
Interest charges	111	1,292
Net income for the year	$ 10,008	$ 18,007

MILL WOODS LAND DEVELOPMENT ENTERPRISE

Statement of Equity

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

Balance — January 1	**$101,937**	$ 83,930
Add — Net income for the year	**10,008**	18,007
Less — Transfer to general government revenue	**7,482**	
Balance — December 31	**$104,463**	$101,937

Statement of Changes in Financial Position

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

FUNDS PROVIDED FROM:		
Net income for the year	**$ 10,008**	$ 18,007
Decrease (increase) in land servicing cost	**(441)**	6,180
	9,567	24,187
FUNDS APPLIED TO:		
Repayment of debt: Debentures	**2,377**	3,901
Sinking Fund payment and earnings	**32**	34
Transfer to general government revenue	**7,482**	
Increase (decrease) in working capital	**(824)**	20,252
	$ 9,567	$ 24,187

Land Revolving Fund

LAND REVOLVING FUND

Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
ASSETS		
Land for resale — land inventory	$106,858	$ 86,566
	106,858	86,566
LIABILITIES AND SURPLUS		
Due from The City of Edmonton	56,260	46,962
Surplus on land sales reinvested in land	50,598	39,604
	$106,858	$ 86,566

Statement of Revenues and Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

REVENUES:		
Land sales	$ 46,631	$ 12,229
Money received in lieu of taxes	59	10
Revenue from encroachments and easements	39	78
Interest income	640	2,546
Interest stabilization rebate	3,953	2,270
Municipal Land Loan Act funds	253	253
Total Revenue	51,575	17,386
EXPENDITURES:		
Cost of land sold	20,865	2,492
Land preparation expenses	561	453
Land purchase expenses	70	458
Agents commission cost		18
Department commission cost	1,675	733
Interest expense	50	70
Street and lane closure expenses	2	4
Systems costs	32	580
Interest on long-term debt	12,117	6,659
Short-term borrowing costs	5,209	11,275
Borrowing bylaw fees		1
Total Expenditures	40,581	22,743
Net income (loss) for the year	$ 10,994	$ (5,357)

Equipment Pool Financial Statements

EQUIPMENT POOL

Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
ASSETS		
Accounts receivable less allowance for doubtful accounts	$ 30	$ 60
Inventory of materials and supplies — at average cost	685	837
Due from The City of Edmonton	10,578	983
Deferred charges	121	181
	11,414	2,061
Property, plant and equipment — at cost less depreciation	52,281	55,764
	63,695	57,825
LIABILITIES		
Accounts payable and accruals	101	224
Accrued interest on long-term debt	1,109	880
	1,210	1,104
Long-term debt	26,484	23,831
SURPLUS		
Retained earnings	32,908	27,254
Contributed capital surplus — customers and governments	3,093	5,636
	36,001	32,890
	$ 63,695	$ 57,825

Statement of Equity

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

Balance — January 1	$ 27,254	$ 21,515
Add: Excess of revenues over expenditures for the year	2,777	2,736
Net equipment disposal proceeds	385	511
Amortization of contributions	2,492	2,492
	5,654	5,739
Balance — December 31	$ 32,908	$ 27,254

EQUIPMENT POOL

Statement of Revenue and Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
REVENUE:		
Utility and civic departments	**$ 36,476**	$ 37,588
EXPENDITURES:		
Operating	**21,305**	24,441
Depreciation	**7,485**	6,767
Debt charges	**2,677**	1,792
Insurance	**1,314**	1,070
General administration	**918**	782
	33,699	34,852
Excess of revenues over expenditures before net proceeds from disposal of equipment	**2,777**	2,736
Net proceeds from disposal of equipment	**385**	511
Excess of revenues over expenditures	**$ 3,162**	$ 3,247

Transit Financial Statements

Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
ASSETS		
Current assets:		
Cash on hand	$ 97	$ 81
Accounts receivable less doubtful accounts	1,856	2,137
Inventory of materials and supplies — at average cost	3,142	2,692
Prepaid expenses	50	55
	5,145	4,965
Deferred charges:		
Debenture discount and expense less amortization	17	19
Property accounts:		
Land, buildings and equipment	310,472	241,710
Less accumulated depreciation	38,968	31,015
	271,504	210,695
Construction in progress	42	31,766
	271,546	242,461
	$276,708	$247,445
LIABILITIES		
Current liabilities:		
Due to The City of Edmonton	$ 17,497	$ 19,303
Accounts payable and accruals	5,009	6,950
Accrued interest on long-term debt	3,824	2,865
Unearned revenues	999	
	27,329	29,118
Long-term debt:		
Debentures payable	75,586	64,280
EQUITY		
The City of Edmonton	2,130	2,130
Contributions and grants for extensions to plant	171,663	151,917
	173,793	154,047
	$276,708	$247,445

Statement of Revenue and Expenditures

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
REVENUE:	**$ 36,043**	$ 27,796
EXPENDITURES:		
Maintenance	**21,061**	17,383
Operating	**61,467**	56,292
Depreciation	**8,315**	6,535
	90,843	80,210
Excess of expenditures over revenue before interest charges	**54,800**	52,414
Debenture interest	**10,708**	7,896
Provincial Government Rebate	**(3,182)**	(2,531)
Other interest	**184**	327
Amortization of debenture discount and foreign exchange loss	**2**	2
	7,712	5,694
Excess of expenditures over revenue before other items	**62,512**	58,108
Operating grant	**5,526**	5,300
Amortization of contributions	**3,842**	3,830
Excess of expenditures over revenue	**$ 53,144**	$ 48,978

Statement of The City of Edmonton Equity

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
Balance — January 1	**$ 2,130**	$ 2,130
Add — excess of expenditures over revenue for the year	**53,144**	48,978
Less — transfer of excess of expenditures over revenue to general government expenditures	**53,144**	48,978
Balance — December 31	**$ 2,130**	$ 2,130

Statement of Contributions and Grants for Extensions to Plant

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

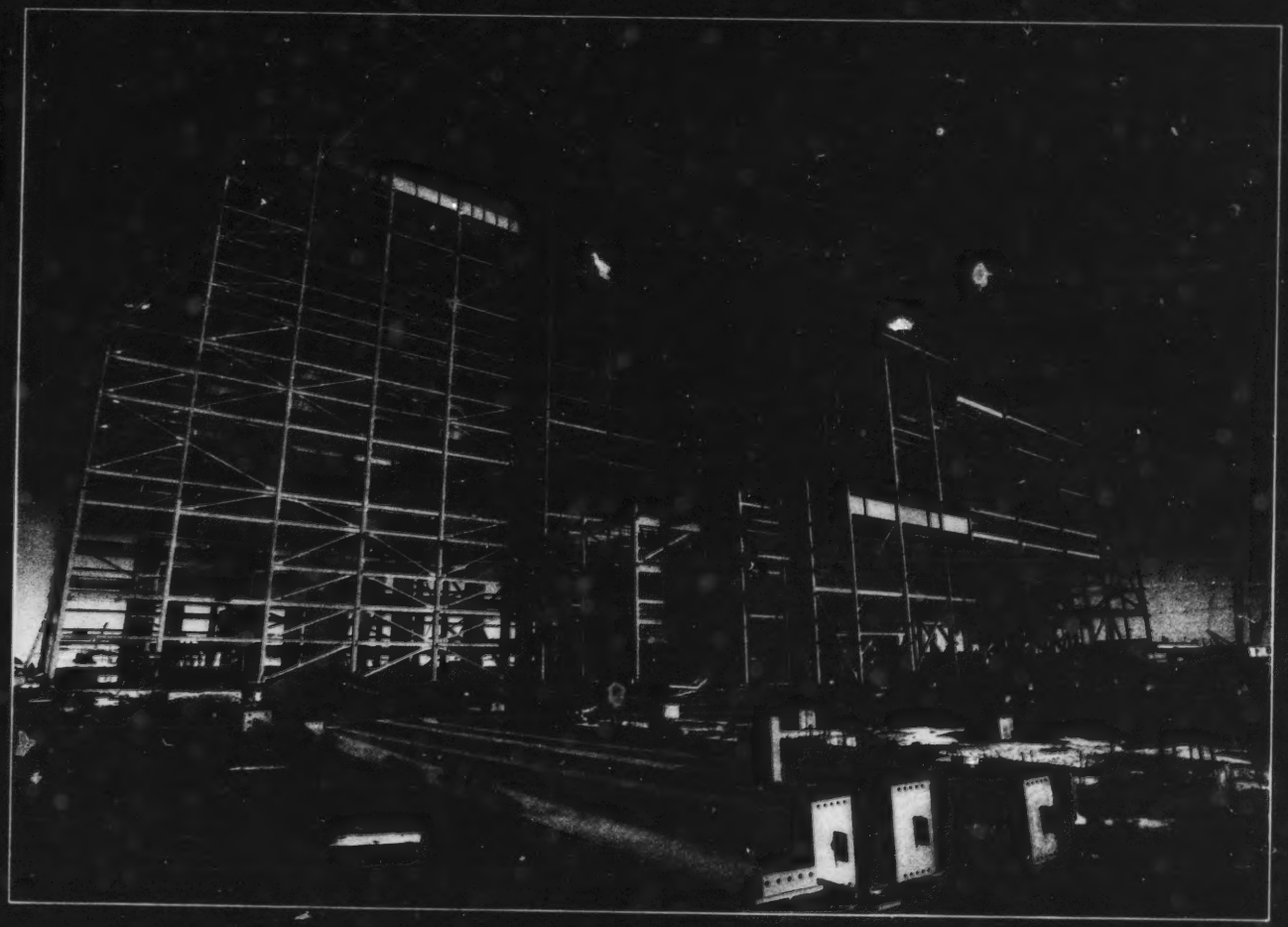
	1983	1982
Balance — January 1	**$151,917**	$132,899
Add — Government grants	**23,000**	22,807
Customer contributions	**588**	41
	23,588	22,848
Less — Amortization	**3,842**	3,830
Balance — December 31	**$171,663**	$151,917

Statement of Changes in Financial Position

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
FUNDS PROVIDED:		
From borrowings:		
Debenture issues	**$ 12,500**	$ 27,768
From other sources:		
Disposal of fixed assets	**190**	150
Contributions and grants	**23,588**	22,848
Transfer to General Government Expenditures	**53,144**	48,978
	76,922	71,976
Total Funds Provided	**$ 89,422**	$ 99,744
FUNDS APPLIED:		
To operations:		
Excess of expenditures over revenue	**$ 53,144**	$ 48,978
Less depreciation and amortization	**4,475**	2,707
	48,669	46,271
To capital expenditures	**37,591**	65,081
To repayment of debt:		
Debentures	**1,193**	723
Total Funds Applied	**87,453**	112,075
Increase (Decrease) in Working Capital	**1,969**	(12,331)
	$ 89,422	$ 99,744

Combined Utilities Financial Statements



City-owned Utilities
The City owns and operates all major public utility services, with the exception of natural gas. The utilities are Edmonton Power, 'Edmonton telephones', Edmonton Water, Edmonton Municipal Airport and Edmonton Sanitary Sewer System.

Utility Fiscal Policy
The administration endeavours to ensure that the users pay the full cost of the utility facilities and services, including an adequate return on capital invested. A fiscal policy has been adopted by City Council to establish utility objectives in the areas of rates setting, municipal taxation and contribution of earnings to the City.

The policy for the five utilities establishes a rate of return on equity equal to 15%. Of this rate of return, 60% is required as a contribution of profits to the general revenues of the City. The remaining 40% is retained within the utilities. In addition, the City charges an 8% franchise tax on utility revenues in lieu of levying property taxes on utility assets. This tax is included in the City's general revenues.

Balance Sheet

December 31, 1983 and 1982
(in thousands of dollars)

	Edmonton Municipal Airport	
	1983	1982
ASSETS		
Current assets:		
Due from The City of Edmonton	$ 6,228	$5,451
Accounts receivable less doubtful accounts	443	633
Inventory of material and supplies — at average cost		
Prepaid expenses		
	6,671	6,084
Deferred charges:		
Foreign exchange loss		
Debenture discount and expense less amortization		
Other		
Property accounts:		
Land, buildings and equipment	17,505	17,544
Less accumulated depreciation	4,674	4,171
	12,831	13,373
Construction in progress		
	12,831	13,373
The City of Edmonton Sinking Fund		
	19,502	19,457
LIABILITIES		
Current liabilities:		
Due to The City of Edmonton		
Accounts payable and accruals	115	136
Accrued interest on long-term debt	135	138
Unearned revenues		
City customer guarantee deposits		
	250	274
Customer advances		
Long-Term debt:		
Debentures payable	3,776	3,848
Provision for foreign exchange		
Plant purchase agreement		
	3,776	3,848
EQUITY		
The City of Edmonton	15,476	15,335
Contributions and grants for extensions to plant		
	15,476	15,335
	$ 19,502	$ 19,457

Edmonton Power		'edmonton telephones'		Edmonton Sanitary Sewage System		Edmonton Water		Combined Utilities	
1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
$	$	$ 12,509	$ 6,000	$	$	$ 9,312	$ 5,858	$ 28,049	$ 17,309
39,264	39,916	7,984	10,636	2,715	2,830	5,382	4,955	55,788	58,970
5,224	6,585	8,278	6,928			1,492	1,780	14,994	15,293
15	9	2,067	2,017					2,082	2,026
44,503	46,510	30,838	25,581	2,715	2,830	16,186	12,593	100,913	93,598
3,420	4,247	3,517	4,385					6,937	8,632
2,343	917	431	510			45	49	2,819	1,476
		203	258			252	243	455	501
5,763	5,164	4,151	5,153			297	292	10,211	10,609
439,210	416,093	564,401	499,640	180,904	172,363	308,763	291,731	1,510,783	1,397,371
140,286	123,879	180,723	149,161	33,336	31,258	55,381	49,892	414,400	358,361
298,924	292,214	383,678	350,479	147,568	141,105	253,382	241,839	1,096,383	1,039,010
214,242	77,961	10,845	12,593	940	2,373	34,386	18,871	260,413	111,798
513,166	370,175	394,523	363,072	148,508	143,478	287,768	260,710	1,356,796	1,150,808
6,972	6,088	4,894	4,263	283	184	251	163	12,400	10,698
570,404	427,937	434,406	398,069	151,506	146,492	304,502	273,758	1,480,320	1,265,713
44,444	31,403			1,108	246			45,552	31,649
25,143	17,750	2,532	4,748	100	233	3,282	2,356	31,172	25,223
12,538	9,755	14,205	11,180	2,962	2,866	6,818	5,375	36,658	29,314
		12,212	5,577				17	12,212	5,594
3,334	3,434	743	556	411	301	612	993	5,100	5,284
85,459	62,342	29,692	22,061	4,581	3,646	10,712	8,741	130,694	97,064
				875	1,015	2,124	2,329	2,999	3,344
395,066	287,706	357,487	331,409	96,351	93,748	193,110	171,635	1,045,790	888,346
1,613	1,647	1,076	1,098					2,689	2,745
			262						268
396,679	289,353	358,563	332,775	96,351	93,748	193,110	171,635	1,048,479	891,359
64,933	55,144	42,541	39,766	3,113	3,742	33,337	30,527	159,400	144,514
23,333	21,098	3,610	3,467	46,586	44,341	65,219	60,526	138,748	129,432
88,266	76,242	46,151	43,233	49,699	48,083	98,556	91,053	298,148	273,946
$570,404	$427,937	$434,406	$398,069	$151,506	$146,492	$304,502	$273,758	$1,480,320	$1,265,713

Statement of Income

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	Edmonton Municipal Airport	
	1983	1982
Revenue:	$ 7,335	$ 8,086
Expenditures:		
Maintenance	2,368	2,371
Operating	2,033	1,864
Franchise Tax	541	588
Depreciation	542	569
Alberta Electrical Marketing Agency Transfer Payments		
	5,484	5,392
Net income (loss) before interest charges	1,851	2,694
Debenture interest	438	444
Interest capitalized		
Provincial Government Rebate	(108)	(109)
Other interest		
Amortization of debenture discount and foreign exchange loss		
	330	335
Net income (loss) before other items	1,521	2,359
Operating grant		
Amortization of contributions		
NET INCOME (LOSS)	$ 1,521	$ 2,359

Edmonton Power		'edmonton telephones'		Edmonton Sanitary Sewage System		Edmonton Water		Combined Utilities	
1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
$223,566	$188,776	$180,171	$153,547	$ 24,700	$ 22,898	$51,127	$ 44,427	$486,899	$417,734
11,998	12,144	38,232	27,493	7,586	7,050	10,586	11,380	70,770	60,436
148,825	137,059	48,308	45,210	5,961	5,003	13,668	12,734	218,795	201,870
17,288	14,348	13,159	11,338	1,913	1,752	3,466	2,993	36,367	31,019
16,513	13,962	35,711	32,555	2,078	2,191	5,489	4,972	60,333	54,249
(13,088)	(13,875)							(13,088)	(13,875)
181,536	163,638	135,410	116,596	17,538	15,996	33,209	32,079	373,177	333,701
42,030	25,138	44,761	36,951	7,162	6,902	17,918	12,348	113,722	84,033
45,167	27,739	39,913	35,018	10,066	9,338	23,607	18,687	119,191	91,226
(16,947)	(6,784)	(2,515)	(2,475)	(76)	(1,167)	(2,669)	(1,494)	(22,207)	(11,920)
				(2,477)	(2,220)	(6,373)	(5,010)	(8,958)	(7,339)
(1,443)	2,101	48	220		12	(1,314)	(1,027)	(2,709)	1,306
1,383	1,313	1,127	1,201		13	14	19	2,524	2,546
28,160	24,369	38,573	33,964	7,513	5,976	13,265	11,175	87,841	75,819
13,870	769	6,188	2,987	(351)	926	4,653	1,173	25,881	8,214
				59				59	
882	781	166	182			904	805	1,952	1,768
$ 14,752	$ 1,550	$ 6,354	$ 3,169	$ (292)	$ 926	$ 5,557	$ 1,978	$ 27,892	$ 9,982

Statement of The City of Edmonton Equity

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	Edmonton Municipal Airport	
	1983	1982
Balance — January 1	$ 15,335	$ 14,259
Add — Net income (loss) for year	1,521	2,359
Less — Dividend payments to The City of Edmonton	1,380	1,283
Balance — December 31	$ 15,476	$ 15,335

Statement of Contributions and Grants for Extensions to Plant

Balance — January 1	$	$
Add — Government grants		
Customer contributions		
Less — Amortization		
Balance — December 31	$	$

Edmonton Power		'edmonton telephones'		Edmonton Sanitary Sewage System		Edmonton Water		Combined Utilities	
1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
$ 55,144	$ 58,894	$ 39,766	$ 40,217	$ 3,742	$ 3,094	$ 30,527	$ 31,372	$144,514	$147,836
14,752	1,550	6,354	3,169	(292)	926	5,557	1,978	27,892	9,982
4,963	5,300	3,579	3,620	337	278	2,747	2,823	13,006	13,304
$ 64,933	$ 55,144	$ 42,541	$ 39,766	$ 3,113	$ 3,742	$ 33,337	$ 30,527	$159,400	$144,514
$ 21,098	$ 18,271	$ 3,467	$ 3,281	$ 44,341	$ 38,822	$ 60,526	$ 53,607	$129,432	$113,981
220	276			12	237			232	513
2,897	3,332	309	368	2,233	5,282	5,597	7,724	11,036	16,706
3,117	3,608	309	368	2,245	5,519	5,597	7,724	11,268	17,219
882	781	166	182			904	805	1,952	1,768
$ 23,333	$ 21,098	$ 3,610	$ 3,467	$ 46,586	$ 44,341	$ 65,219	$ 60,526	$138,748	$129,432

Statement of Changes in Financial Position

For the Years Ended December 31, 1983 and 1982
(in thousands of dollars)

	Edmonton Municipal Airport	
	1983	1982
FUNDS PROVIDED:		
From operations:		
Net income (loss) for the year	$ 1,521	$ 2,359
Depreciation and amortization	542	569
	2,063	2,928
From borrowings:		
Debenture issues		
From other sources:		
Disposal of fixed assets		
Contributions and grants		
Other — net		
Total funds provided	2,063	2,928
FUNDS APPLIED:		
To capital expenditures		
To repayment of debt:		
Debentures	72	65
Sinking Fund payment and earnings		
Plant purchase agreement		
	72	65
To debenture discount and deferred expenses		
To repayment of advances		
Return on investment transferred to The City of Edmonton	1,380	1,283
Total funds applied	1,452	1,348
Increase (decrease) in working capital	611	1,580
	$ 2,063	$ 2,928

Edmonton Power		'edmonton telephones'		Edmonton Sanitary Sewage System		Edmonton Water		Combined Utilities	
1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
$ 14,752	$ 1,550	$ 6,354	$ 3,169	$ (292)	$ 926	$ 5,557	$ 1,978	$ 27,892	$ 9,982
16,693	14,143	36,930	33,431	2,078	2,191	4,594	4,175	60,837	54,509
31,445	15,693	43,284	36,600	1,786	3,117	10,151	6,153	88,729	64,491
115,683	71,250	39,339	46,894	4,600	9,361	24,000	37,000	183,622	164,505
54	78	2,958	1,560					3,012	1,638
3,117	3,608	309	368	2,245	5,519	5,597	7,724	11,268	17,219
		168	56					168	56
3,171	3,686	3,435	1,984	2,245	5,519	5,597	7,724	14,448	18,913
150,299	90,629	86,058	85,478	8,631	17,997	39,748	50,877	286,799	247,909
159,559	95,229	70,268	68,336	7,108	15,757	32,548	44,167	269,483	223,489
8,323	4,931	13,261	7,527	1,996	2,106	2,524	2,228	26,176	16,857
885	842	631	601	99	94	88	84	1,703	1,621
		268	249					268	249
9,208	5,773	14,160	8,377	2,095	2,200	2,612	2,312	28,147	18,727
1,695	468	426	383			14	277	2,135	1,128
				141	1,418	205	1,444	346	2,862
4,963	5,300	3,579	3,620	337	278	2,747	2,823	13,006	13,304
175,425	106,770	88,433	80,716	9,681	19,653	38,126	51,023	313,117	259,510
(25,126)	(16,141)	(2,375)	4,762	(1,050)	(1,656)	1,622	(146)	(26,318)	(11,601)
$150,299	$ 90,629	$ 86,058	$ 85,478	$ 8,631	$ 17,997	$ 39,748	$ 50,877	$286,799	$247,909

Convention Centre Financial Statements

Balance Sheet

December 31, 1983
(in thousands of dollars)

	1983
ASSETS	
Current assets:	
Cash	$ 228
Accounts receivable	174
Due from The City of Edmonton	2,818
Inventories	210
Prepaid expenses	35
Total current assets	3,465
Deferred charges	108
Property, plant and equipment	80,228
Less accumulated depreciation	328
	79,900
	83,473
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	388
Salaries and benefits payable	260
Unearned revenue	66
Total current liabilities	714
Reserve for future expenditures	2,859
Long-term debt	40,671
Contributed capital surplus	39,229
	$83,473

Statement of Reserves for Future Expenditures

For the Year Ended December 31, 1983
(in thousands of dollars)

	1983
Balance — January 1	$
Source of funds:	
Current year business tax levy	4,377
Transfer from contributed capital surplus	2,527
Interest earnings	557
Total Source of Funds	7,461
Use of funds:	
Transfer to operations	4,602
Total Use of Funds	4,602
Balance — December 31	$ 2,859

THE EDMONTON CONVENTION CENTRE

Statement of Contributed Capital Surplus

For the Year Ended December 31, 1983
(in thousands of dollars)

	1983
Balance — January 1	
As previously reported	$
Prior period adjustment	21,707
As restated	21,707
Add — Government grant	20,000
Interest earned on government grant	49
	20,049
Deduct — Transfer to Convention Centre Reserve for future expenditures	2,527
Balance — December 31	$39,229

Statement of Operations

For the Period May 15, 1983 to December 31, 1983
(in thousands of dollars)

	Restaurants and Lounges	Banquets	Events and Services	Total
Revenue	$ 417	$1,202	$ 426	$2,045
Cost of sales	176	441		617
Gross margin	241	761	426	1,428
Direct operating expenses:				
Salaries, wages and benefits	341	556	210	1,107
General and administration	41	75	2	118
Supplies	29	36	53	118
Utilities and telephone	27		76	103
Advertising and promotion	54			54
Janitorial	5		31	36
Entertainment	19			19
Repairs and maintenance	4	1	4	9
Storage			7	7
Fees and permits	1			1
Direct operating expenses	521	668	383	1,572
	$ (280)	$ 93	$ 43	(144)
Miscellaneous revenue				38
				(106)
General administration expense				615
Maintenance expense				398
Marketing and sales expense				223
Excess of expenses over revenue before other items				1,342
Other items:				
Debenture debt charges				3,260
Excess of expense over revenue				$4,602
Transfer from Convention Centre Reserve				$4,602

Related Authorities – Financial Statements

Auditors' Report

To the Shareholder

We have examined the balance sheet of The City of Edmonton Non-Profit Housing Corporation as at December 31, 1983 and the statements of revenue and expenditures, surplus (deficit) and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at December 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles for municipal organizations applied, after giving retroactive effect to the change in the basis of recording capitalized interest as described in Note 9 to the financial statements, on a basis consistent with that of the previous year.

Edmonton, Canada
March 20, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

NON-PROFIT HOUSING CORPORATION

Balance Sheet

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
ASSETS		
Current assets:		
Cash and short-term deposits	$ 34	$ 23
Accounts receivable	59	21
Prepaid taxes	30	27
The City of Edmonton — current account	3,045	
Total current assets	3,168	71
Fixed assets:		
Housing projects (notes 3 and 4)	46,744	34,844
Less accumulated depreciation	41	19
	46,703	34,825
	$49,871	$34,896
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	$ 372	$ 740
The City of Edmonton — current account		204
Deposits	219	121
Prepaid rents	4	7
Current portion of mortgages payable (note 6)	53	180
Total current liabilities	648	1,252
City of Edmonton loan (note 5)	2,500	2,500
Mortgages payable (note 6)	46,397	30,524
Shareholder's equity:		
Capital stock:		
Authorized 20,000 shares without par value:		
issued 1 share	1	1
Unappropriated surplus (deficit)	(106)	407
Subsidy reserve	45	44
Replacement reserve	386	168
	326	620
Commitments (note 7)		
	$49,871	$34,896

See accompanying notes to financial statements.

NON-PROFIT HOUSING CORPORATION

Statement of Revenue and Expenditures

For the Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
Rental revenue	**$2,507**	$1,228
Operating assistance	**4,260**	1,680
	6,767	2,908
Rental expenditures:		
Interest	**5,673**	2,098
Taxes	**490**	192
Utilities	**353**	182
Wages and salaries	**129**	46
Repairs and maintenance	**123**	51
Management fees	**103**	49
Insurance	**45**	18
Advertising	**34**	2
Inspection fees	**23**	8
Depreciation	**22**	19
Contract work	**19**	
Other	**16**	9
Equipment	**1**	1
	7,031	2,675
Net rental revenue (loss)	**(264)**	233
Administration expenses:		
Salaries	**88**	82
Contract Work	**32**	39
Occupancy	**16**	14
Other	**5**	9
	161	144
Administrative expenses capitalized (note 4)	**(126)**	(121)
	35	23
Excess of revenue over expenditures	**$ (299)**	$ 210

See accompanying notes to financial statements.

NON-PROFIT HOUSING CORPORATION

Statements of Surplus (Deficit)

Year ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
Unappropriated surplus (deficit), beginning of year:		
As previously reported	$ (5)	$ 251
Prior Period adjustment (note 8)		38
Restatement of capitalized interest of prior period (note 9)	412	83
As restated	407	372
Excess of revenue over expenditures	(299)	210
Transfer to replacement reserve	(202)	(148)
Transfer to subsidy reserve	(8)	(27)
Transfer from subsidy reserve	11	
Surplus funds refundable to Canada Mortgage and Housing Corporation	(13)	
Unappropriated surplus (deficit), end of year	$ (106)	$ 407
Subsidy reserve, beginning of year	$ 44	$ 13
Transfer to subsidy reserve	8	27
Interest	5	4
Transfer from subsidy reserve	(11)	
Surplus funds refundable to Canada Mortgage and Housing Corporation	(1)	
Subsidy reserve, end of year	$ 45	$ 44
Replacement reserve, beginning of year	$ 169	$ 12
Transfer to replacement reserve	202	148
Interest	16	9
Replacement reserve, end of year	$ 387	$ 169

See accompanying notes to financial statements.

NON-PROFIT HOUSING CORPORATION

Statement of Changes in Financial Position

For the Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
FUNDS PROVIDED FROM:		
Operations:		
Excess of revenue over expenditures	$	$ 210
Add depreciation and amortization		19
Total funds provided from operations		229
Interest earned on reserve funds	21	13
Increase in mortgages payable	15,873	16,321
Total funds provided	15,894	16,563
FUNDS APPLIED TO:		
Operations:		
Excess of expenditures over revenue	299	
Deduct depreciation and amortization	22	
Funds applied to operations	277	
Payment of surplus funds to Canada Mortgage and Housing Corporation	16	
Purchases of fixed assets	11,900	16,087
Total funds applied	12,193	16,087
Increase in working capital	3,701	476
Working capital beginning of year	(1,181)	(1,657)
Working capital (deficiency) end of year	$ 2,520	$(1,181)

See accompanying notes to financial statements.

NON-PROFIT HOUSING CORPORATION

Notes to Financial Statements

December 31, 1983

1. AUTHORITY AND ACTIVITY:

The City of Edmonton Non-Profit Housing Corporation ("the Corporation") was incorporated as a limited company under the Companies Act of Alberta on November 21, 1977 and continued under the Business Corporations Act on December 9, 1983. The Corporation was established for the purpose of providing non-profit housing for the citizens of The City of Edmonton. City Council authorized the establishment of the Corporation by approving Bylaw No. 5107 on September 8, 1977. The City of Edmonton is the sole shareholder of the Corporation.

2. ACCOUNTING PRINCIPLES:

The financial statements have been prepared in accordance with generally accepted accounting principles for municipal organizations.

Housing projects are valued at cost. Interest, property taxes and administration expenses incurred during construction are capitalized to the cost of the projects. Revenue generated from the project up to the interest adjustment date is netted against the cost of the project. The housing projects are depreciated at an amount equal to the principal repayment on related mortgages.

Purchases of office equipment are charged in operations in the year of purchase and gross proceeds on any disposals are recorded as revenue.

Operating assistance is a subsidy provided by Canada Mortgage and Housing Corporation and Alberta Home Mortgage Corporation to operating projects to reduce project costs and rentals.

The subsidy and replacement reserves are required to be set up pursuant to the Corporation's agreements with Canada Mortgage and Housing Corporation and Alberta Home Mortgage Corporation. The subsidy reserve is increased by the net surplus on a project to a maximum of $500 per rental unit. It will be used in the event of future operating assistance shortfalls for the project. The replacement reserve is increased based on specific calculations for a project and will be used for capital replacement for the project. In addition to transfers out of retained earnings, the subsidy and replacement reserves were credited with interest of $4,167 and $15,925 respectively.

3. HOUSING PROJECTS:

	(in thousands of dollars)	
	1983	1982 (Restated)
Completed Projects:		
Land costs	$ 7,887	$ 3,965
Construction costs	36,569	19,120
	44,456	23,085
Under construction:		
Land costs	629	3,006
Construction costs	1,659	8,753
	2,288	11,759
Total Housing Projects	$46,744	$34,844
Number of units:		
Completed	834	417
Under construction	41	311

Notes to Financial Statements — cont'd.

4. CAPITALIZED CONSTRUCTION COSTS:

In 1983, the Corporation has capitalized $126,222 ($121,379 in 1982) of the administration expenses which relate to project management during construction. The Corporation has also capitalized interest costs of $597,396 ($1,563,072 in 1982) and property taxes of $54,375 ($110,315 in 1982) incurred during construction of the related projects.

5. CITY OF EDMONTON LOAN:

The Corporation has received a loan of $2,500,000 from The City of Edmonton from funds generated by the Municipal Incentive Grant Program. Commencing January 1, 1981 interest has been charged at the City's short-term investment rate.

6. MORTGAGES PAYABLE:

The mortgages payable, secured by the housing projects, are payable to the Alberta Home Mortgage Corporation. Monthly principal and interest payments are as follows:

Project	Monthly Payment	Interest Rate	Mortgage Renewal Date	Balance Outstanding December 31, 1983
Elm Park Place	$15,397	12¾%	Jan. 01, 1986	$ 1,473,766
Vermillion Place	10,744	13¾%	May 01, 1986	957,644
Barclay Square	45,159	13¾%	Jul. 01, 1986	4,045,053
McCauley	52,718	15½%	Aug. 01, 1986	4,243,929
Primrose	36,122	15½%	Aug. 01, 1986	2,899,710
Castle Brae	32,513	15½%	Sep. 01, 1986	2,611,629
Mission Glen	27,742	15½%	Sep. 01, 1986	2,228,279
Riverdale	20,989	19¾%	Jul. 01, 1987	1,346,440
Castle Close	30,309	18 %	Sep. 01, 1987	2,121,405
Kameyosek	53,081	18 %	Nov. 01, 1987	3,714,866
North Callingwood	43,504	18 %	Nov. 01, 1987	3,044,469
Boyle Street II	56,505	19¼%	Jan. 01, 1988	3,617,648
Boyle Street III	62,934	21¼%	Jan. 01, 1988	3,762,697
King Edward I	28,589	14¼%	Jul. 01, 1988	2,486,767
King Edward II	13,199	14¼%	Jul. 01, 1988	1,135,410
Point West	49,766	13¾%	Oct. 01, 1988	4,475,531
Lago Lindo	24,919	13½%	Nov. 01, 1988	1,831,100
Willowdale	28,967	13½%	Not Established	454,500
				46,450,843
Less current portion				53,500
				$ 46,397,343

The approximate repayment of principal over the next five years is as follows:

1984	$53,500
1985	60,800
1986	70,300
1987	81,300
1988	93,900

Notes to Financial Statements — cont'd.

7. COMMITMENTS:

Commitments at December 31, 1983 to complete construction of housing units total $286,400.

The Corporation has arranged for mortgages of $2,620,000 which relate to the cost of projects under construction and cost to complete those projects.

8. PRIOR PERIOD ADJUSTMENT:

During 1982, Alberta Home Mortgage Corporation refunded to Non-Profit Housing Corporation $37,667 relating to principal overpayments made by the Corporation in 1981. Since the Corporation's depreciation is calculated based on principal repayments of mortgages payable, the 1981 depreciation expense, fixed assets and unappropriated surplus have been retroactively adjusted to reflect this event.

9. CHANGE IN ACCOUNTING POLICY:

The Corporation has changed its basis of calculating capitalized interest. In 1983, the interest capitalized is based on the accumulated expenditures incurred on the developing property.

In prior years, interest capitalized on developing properties was limited to the interest incurred on the specific borrowing for each individual property plus the interest incurred on advances from The City of Edmonton. The 1982 comparative figures have been restated to reflect this change in accounting policy.

If the Corporation had continued to capitalize interest on the same basis as prior years the interest capitalized and the excess of revenue and expenditures would have been $187,979 less than that reflected in the financial statements.

The effect of the retroactive application of the change in accounting policy on the 1982 comparative figures resulted in the following:

	1982	Adjustment	1982 (Restated)
Housing projects	$34,431,861	$ 412,085	$34,843,946
Interest expense	2,427,095	(329,415)	2,097,680
Net rental revenue (loss)	(96,144)	329,415	233,271
Unappropriated surplus (deficit), end of year	(4,685)	412,085	407,400
Unappropriated surplus, beginning of year	289,320	82,670	371,990

THE EDMONTON RESEARCH AND DEVELOPMENT PARK AUTHORITY

Auditors' Report

To the Authority Board Members

We have examined the balance sheet of The Edmonton Research and Development Park Authority as at December 31, 1983 and the statements of revenue and expenditures and deficit and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at December 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles for municipal organizations applied on a basis consistent with that of the preceding year.

Edmonton, Canada
March 12, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Balance Sheet

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Accounts receivable	$ 11	$
Due from The City of Edmonton	2,605	4,815
Prepaid expenses	1	
Land (note 3)	6,888	6,219
Land services and improvements, at cost	4,591	4,564
Land and buildings, at cost (note 4)	1,824	
Construction in progress		210
	$15,920	$15,808
LIABILITIES AND DEFICIT		
Accrued liabilities	$ 377	$ 337
Deferred revenue		1
Deposits		27
Loan payable (note 5)	4,574	4,207
Debentures payable (note 6)	11,433	11,469
Total Liabilities	16,384	16,041
Deficit	464	233
	$15,920	$15,808

See accompanying notes to financial statements.

THE EDMONTON RESEARCH AND DEVELOPMENT PARK AUTHORITY

Statement of Revenue and Expenditures and Deficit

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Revenue on sale of land and land services and improvements	$	$ 249
Cost of land and land services and improvements sold		127
Gain on sale		122
EXPENDITURES:		
Salaries, wages and benefits	86	127
Office expense and rent	54	35
Contract work	40	32
Advertising, research and promotion	23	34
Park Operations	10	
Transportation and travel	8	9
Board Expenses	6	
Miscellaneous	4	2
	231	239
Excess of expenditures over revenue	231	117
Deficit, beginning of year	233	116
Deficit, end of year	$ 464	$ 233

See accompanying notes to financial statements.

THE EDMONTON RESEARCH AND DEVELOPMENT PARK AUTHORITY

Statement of Changes in Financial Position

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
FUNDS PROVIDED:		
Increase in accrued liabilities	$ 41	$ 2
Increase in deposits		5
Proceeds from loan payable	367	1,599
Decrease in construction in progress	209	
Total funds provided	617	1,606
FUNDS APPLIED:		
To operations:		
Excess of expenditures over revenue	231	117
Add (deduct) items which do not require funds:		
Cost of land and land services and improvements sold		(127)
Deferred revenue		169
Funds provided to operations	231	159
Purchases of land and land services and improvements	992	2,070
Purchase of land and buildings	1,528	
Additions to construction in progress		210
Repayment of loan payable		24
Repayment of debentures payable	36	31
Payment of deposits	27	
Increase in prepaid expenses	1	
Decrease in deferred revenue	1	
Increase in accounts receivable	11	
Total funds applied	2,827	2,494
Decrease in due from The City of Edmonton	2,210	888
Due from The City of Edmonton, beginning of year	4,815	5,703
Due from The City of Edmonton, end of year	$2,605	$4,815

See accompanying notes to financial statements.

THE EDMONTON RESEARCH AND DEVELOPMENT PARK AUTHORITY

Notes to Financial Statements

December 31, 1983

1. AUTHORITY AND ACTIVITY:

On April 25, 1979, City Council authorized the development of The Edmonton Research and Development Park including provisions for servicing the lands. On May 22, 1980, the Provincial Government proclaimed Bill PR2, The Edmonton Research and Development Park Authority Act, which created The Edmonton Research and Development Park Authority ("the Authority") as a Body Corporate. The Authority was established for the purpose of acquiring, planning, developing and servicing lands designated for Research and Development Park use.

On October 29, 1980, City Council authorized the Commission Board to execute the Operating Agreement between The City of Edmonton and the Authority. The Authority is operating as a separate entity within The City of Edmonton.

2. ACCOUNTING PRINCIPLES:

The financial statements have been prepared in accordance with generally accepted accounting principles for municipal organizations.

Fixed assets, unless funded by debenture borrowing, are written off in the year they are acquired.

Land is valued at cost. The costs of interest on debentures issued has been capitalized to the cost of the land. The resulting cost is less than the net realizable value of the land.

3. LAND:

The City of Edmonton holds title to the lands in trust. However, under the Operating Agreement the Authority has the right to request the City to convey title to the Authority or to a purchaser designated by the Authority.

4. LAND AND BUILDINGS:

The Authority has completed construction of a multi-tenant building in which it intends to lease space.

The balance is comprised of:

Land	$ 373,121
Buildings	1,451,277
	$1,824,398

5. LOAN PAYABLE:

On December 11, 1980, Alberta Housing Corporation agreed to lend The City of Edmonton funds to a maximum amount of $5,000,000 to be used for local improvements required in connection with the development of a Research Park.

On December 12, 1990 the loan is due and payable and will bear interest at a per diem market interest rate. Until such time, the City will repay the loan on sale, lease, or other disposition of the lands with no interest charged on the amount advanced.

It is the policy of the City to transfer advances received to the Authority. In 1983 the City advanced $366,850 (1982 - $1,599,530) to the Authority. No interest is payable and the repayment terms are in accordance with The City of Edmonton's agreement with Alberta Housing Corporation.

Under the terms of the Agreement, title to the Authority's lands has been encumbered to protect the interest of Alberta Housing Corporation.

Notes to Financial Statements — cont'd.

6. DEBENTURES PAYABLE:

On September 15 and October 15, 1981, debentures were issued by The City of Edmonton. Under Bylaw No. 6142 debentures were allocated to the Authority for $5,500,000 at 18.125% and $6,000,000 for 19.0% respectively. The debentures are each repayable in 25 equal annual instalments on September 15 and October 15 beginning in 1982 and until 2006. The debentures issued to date are eligible for an Alberta Government interest rebate which reduces the effective interest rate to 11% per year. The payments shown below do not reflect the effect of the rebate.

The payments required over the next five years on the debenture due September 15 are as follows:

Year	Principal	Interest	Total
1984	$21,957	$ 990,654	$1,012,611
1985	25,937	986,674	1,012,611
1986	30,638	981,973	1,012,611
1987	36,191	976,420	1,012,611
1988	42,751	969,860	1,012,611

The payments required over the next five years on the debenture due October 15 are as follows:

Year	Principal	Interest	Total
1984	$21,134	$1,133,790	$1,154,924
1985	25,149	1,129,775	1,154,924
1986	29,927	1,124,997	1,154,924
1987	35,614	1,119,310	1,154,924
1988	42,380	1,112,534	1,154,924

7. 1982 COMPARATIVE FIGURES:

The 1982 figures have been reclassified to conform to the 1983 presentation.

THE EDMONTON AMBULANCE AUTHORITY

Auditors' Report

To the Chairman and the Members of the
Board of Directors of The Edmonton
Ambulance Authority

We have examined the balance sheet of The Edmonton Ambulance Authority as at December 31, 1983 and the statement of revenue and expenditures for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at December 31, 1983 and the results of its operations for the year then ended in accordance with generally accepted accounting principles for non-profit organizations applied on a basis consistent with that of the preceding year.

Edmonton, Canada
March 12, 1984

Mowbrey Stout
Chartered Accountants

Balance Sheet

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Current Assets:		
Cash	$ 1	$ 1
Accounts receivable, net of allowance for doubtful accounts	687	590
Inventory (note 2)	37	47
Prepaid expenses	26	13
Total current assets	751	651
Fixed assets (note 3)	1,237	1,096
Goodwill (note 4)		33
Total assets	$1,988	$1,780
LIABILITIES AND SURPLUS		
Current Liabilities		
Bank overdraft	$ 38	$ 143
Accounts payable	310	286
Due to The City of Edmonton (note 5)	806	341
Current portion of long-term debt	175	175
Total current liabilities	1,329	945
Long-term debt (note 6)	574	702
Total liabilities	1,903	1,647
Contributed surplus (note 7)	85	133
Total liabilities and surplus	$1,988	$1,780
Contingent liabilities (note 8)		

THE EDMONTON AMBULANCE AUTHORITY

Statement of Revenue and Expenditures

For the Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
REVENUE:		
Ambulance services	$ 3,941	$3,396
Miscellaneous	9	10
	3,950	3,406
EXPENDITURES:		
Labour, salaries and employee benefits	3,973	3,469
Vehicle, plant and equipment	616	499
Communications	200	107
Ambulance services	153	181
Administrative services	120	196
Debenture servicing costs	87	64
Capital equipment	37	131
	5,186	4,647
Excess of expenditures over revenue before other items	1,236	1,241
Other items:		
Depreciation and amortization	311	231
Amortization of contributed surplus	(80)	(73)
	231	158
Deficit before The City of Edmonton subsidy	1,467	1,399
The City of Edmonton subsidy	1,467	1,399
GENERAL SURPLUS	$	$

THE EDMONTON AMBULANCE AUTHORITY

Notes to Financial Statements

December 31, 1983

The Edmonton Ambulance Authority began operation on July 1, 1981 to provide ambulance and pre-hospital medical services to the residents of The City of Edmonton. The initial assets were acquired from Smith's Ambulance (1962) Ltd.

1. SIGNIFICANT ACCOUNTING POLICIES:

a) **Fixed Assets**

Assets acquired in the purchase from Smith's Ambulance (1962) Ltd. are depreciated on a straight-line basis over a period of five years.

Automotive and ambulance equipment acquired subsequently are depreciated on a straight-line basis over five years with no depreciation charge in the year of acquisition.

Leasehold improvements are amortized on a straight-line basis over three years with no amortization charge in the year of acquisition.

Office furnishings, computers, training and communication equipment are expensed in the year of acquisition.

Disposal of fixed assets are accounted for by reducing the cost base of the remaining assets by the amount of proceeds received.

b) **Inventory**

Inventory is valued at the lower of cost and net realizable value.

c) **Goodwill**

Goodwill is amortized on a straight-line basis over a period of three years.

d) i) **Contributed surplus — general**

Assets acquired through grants or contributions are recorded at their full cost with a corresponding increase to contributed surplus. These assets are depreciated on the same basis as similar automotive and ambulance equipment. The offsetting contributed surplus is amortized to income using the same basis as the donated assets are depreciated.

ii) **Contributed surplus presently has been accounted for as follows:**

In conjunction with the acquisition of Smith's Ambulance (1962) Ltd., The City of Edmonton contributed $200,000 intended to fund $100,000 goodwill and $100,000 of equipment purchases. Goodwill is amortized over three years and the equipment over five years.

The Northern and Central Alberta Perinatal Program contributed one Neonatal Ambulance costing $60,000, which is being amortized over three years.

The Downtown Lions Club of Edmonton contributed $31,775 to fund an equipment purchase which is being amortized over five years.

e) **Contributions of The City of Edmonton**

The City of Edmonton contributes an amount equal to the excess of expenditures over revenue for the year.

f) **Statement of Changes in Financial Position**

A Statement of Changes in Financial Position has not been provided as in the opinion of management it would not provide additional meaningful information. This is consistent with prior years.

THE EDMONTON AMBULANCE AUTHORITY

Notes to Financial Statements — cont'd.

2. INVENTORY

	1983	1982
Medical supplies	$11,252	$23,778
Vehicle parts and supplies	25,612	22,636
	$36,864	$46,414

3. FIXED ASSETS

	1983			1982
	Cost	Accumulated Depreciation and Amortization	Net	Net
Automotive and ambulance equipment	$1,547,841	$ 330,424	$1,017,417	$1,096,433
Leasehold improvements	219,554		219,554	
	$1,767,395	$ 330,424	$1,236,971	$1,096,433

4. GOODWILL

	1983	1982
Purchase of Smith's Ambulance (1982) Ltd.	$100,000	$100,000
Less accumulated amortization	100,000	66,667
	$	$ 33,333

5. DUE TO THE CITY OF EDMONTON

The amount due to The City of Edmonton includes amounts for capital purchases for which debenture funding has not yet been obtained by the Authority.

6. LONG-TERM DEBT

	1983	1982
16% debenture, payable $175,400 per year principal plus interest, due May, 1987	$749,476	$877,000
Less principal amount due within one year	175,400	175,400
	$574,076	$701,600

Approximate principal repayments within each of the next four years are as follows:

1984	$175,400
1985	175,400
1986	175,400
1987	223,276
	$749,476

THE EDMONTON AMBULANCE AUTHORITY

Notes to Financial Statements — cont'd.

7. CONTRIBUTED SURPLUS

	1983			1982
	Cost	Accumulated Amortization	Net	Net
Purchase of Smith's Ambulance (1962) Ltd.				
Goodwill	$ 100,000	$ 100,000	$	$ 33,333
Equipment	100,000	60,000	40,000	60,000
Equipment	31,775	6,355	25,420	
Neonatal unit	60,000	40,000	20,000	40,000
	$ 291,775	$ 206,355	$ 85,420	$ 133,333

8. CONTINGENT LIABILITIES

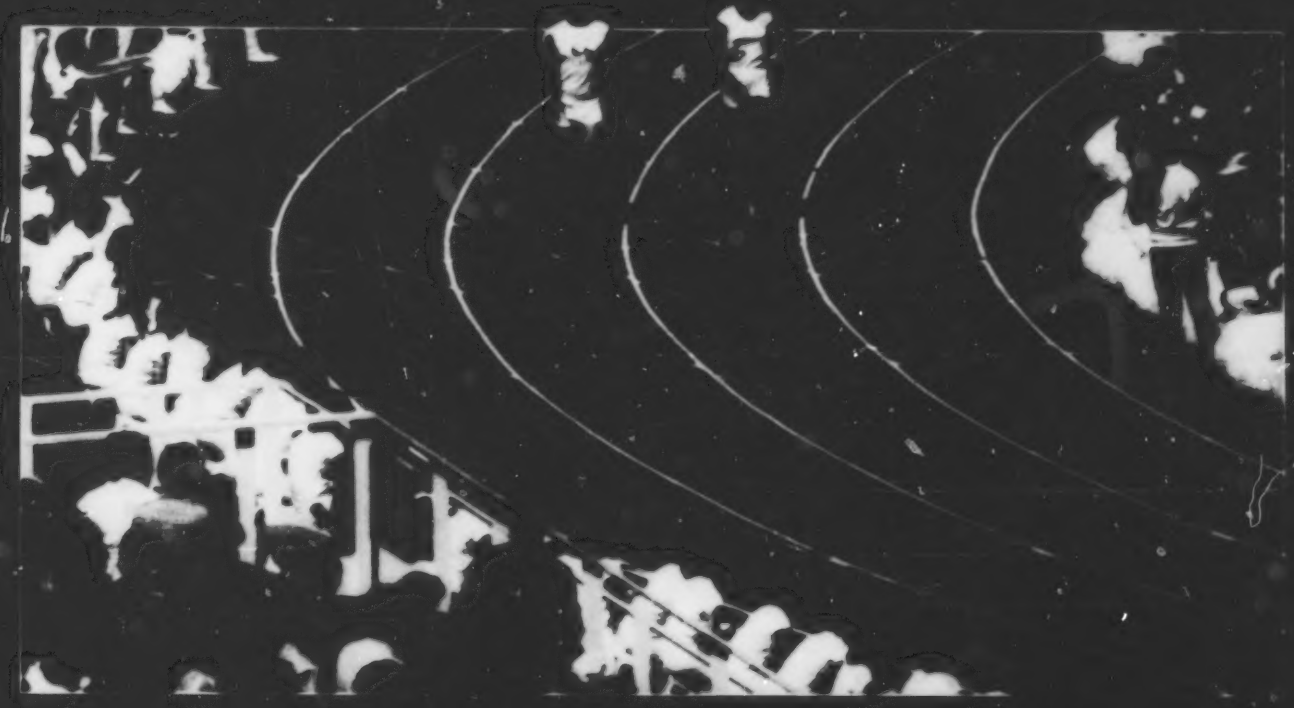
The Authority is committed to leases for premises and equipment. Annual rental amounts and expiry dates are as follows:

	Rental Amounts	Expiry
Premises	$152,809	March, 1993
Equipment	28,594	July, 1985 to Feb., 1988
	$181,403	

9. COMPARATIVE FIGURES

Certain comparative figures for the year ended December 31, 1982 have been reclassified to conform to the financial statement presentation adopted for the current year.

Schedules, Analyses and Statistics



Statistical Review

For the Years 1979 to 1983
(in thousands of dollars, except per capita)

	1983	1982	1981	1980	1979
Population	560,083	551,314	521,205	505,773	491,359
Area — in hectares	63,066	63,066	30,753	30,753	30,753
Building permits	$ 583,243	$ 802,627	$ 1,157,038	$ 873,200	$ 789,171
Assessment:					
Total taxable assessment	$11,088,987	$10,889,588	$ 9,855,094	$ 9,310,999	$ 8,816,221
Percentage of total assessment represented by:					
Residential properties	63.7%	62.8%	65.2%	66.5%	66.5%
Commercial properties	36.3%	37.2%	34.8%	33.5%	33.5%
Taxable assessment per capita	$ 19,799	$ 19,751	$ 18,908	$ 18,409	$ 17,942
Estimated market value of taxable assessment	$22,000,000	$26,200,000	$25,000,000	$22,000,000	$16,300,000
Rates of taxation (mills):					
Single-family residences	22.09	20.59	17.71	15.63	14.89
Multiple-family residences	26.64	24.81	21.38	18.87	18.05
Commercial and industrial	38.80	36.37	31.69	27.83	26.76
Tax collections, arrears and levy:					
Percentage of current taxes collected	93.7%	91.9%	94.0%	94.1%	93.4%
Percentage of arrears and current taxes collected	103.4%	97.2%	100.2%	99.9%	99.4%
Tax arrears per capita	$ 84.46	$ 82.61	$ 54.14	$ 49.05	$ 41.13
Property tax levy per capita	$ 618.41	$ 573.95	$ 479.07	$ 410.95	$ 381.60
Revenue:					
General government revenue	$ 622,686	$ 577,855	$ 465,537	$ 386,876	$ 343,357*
Percentage of revenue:					
Property and business taxes	64.3%	63.9%	61.5%	61.7%	62.6%
Utility contributions	7.9%	7.7%	8.2%	8.3%	8.2%
Grants	11.6%	12.2%	12.7%	12.6%	12.3%
Other	16.0%	16.2%	17.6%	17.4%	16.9%
Long-term debt:					
Debt per capita:					
Self supported	$ 2,665	$ 2,426	$ 2,002	$ 1,701	$ 1,552
Tax supported	404	312	244	171	152
	$ 3,069	$ 2,738	$ 2,246	$ 1,872	$ 1,704
Current tax supported debt charges as a % of general government revenue	5.4%	4.5%	4.0%	3.0%	4.2%
Per capita tax supported debt as a % of per capita disposable income	2.9%	2.6%	2.0%	1.9%	2.0%
Percentage of total debt to be retired:					
Within 5 years	23.3%	20.3%	15.3%	18.1%	20.3%
Within 10 years	41.4%	36.9%	33.4%	36.0%	38.3%

* 1979 general government revenue excludes debt reduction grant of $205,607.

Analysis of Net Long-Term Debt as at December 31, 1983 and Long-Term Debt Principal and Interest Payments

For the Year Ended December 31, 1983
(in thousands of dollars)

	Long-Term Debt Outstanding		
	Long-Term Debt	Sinking Fund	Net Long-Term Debt
Protection to Persons — Property:			
Fire	$ 18,838	$	$ 18,838
Police	11,536		11,536
Traffic lights	8,067		8,067
	38,441		38,441
Public Works:			
Workshops, yards and equipment	3,604		3,604
Bridges and bridge approaches	12,010		12,010
Curbs and sidewalks	521		521
Subways and tunnels	134		134
Pedestrian tunnels	240		240
Land	2,113		2,113
Streets and roadways	74,796		74,796
	93,418		93,418
Storm Sewer and Solid Waste System	44,961		44,961
Recreation and Community Services:			
Space Sciences Building	5,000		5,000
Parks and playgrounds	23,089		23,089
Swimming pools	5,317		5,317
Skating rinks	1,494		1,494
Community centres	110		110
Libraries	4,053		4,053
Ambulance Authority	750		750
Miscellaneous	9,929		9,929
	49,752		49,752
Municipal Enterprises:			
Edmonton Power & Power Generation	414,705	6,972	407,733
'edmonton telephones'	337,848	4,894	332,954
Edmonton Transit System	75,586		75,586
Edmonton Water	193,112	251	192,861
Sanitary Sewer System	96,353	283	96,070
Edmonton Municipal Airport	3,776		3,776
Mill Woods Project	10,241	94	10,147
Local Improvements Property Share	178,559		178,559
Parking — Garage	911		911
Public Housing	23,033		23,033
Royal Alexandra Hospital	4,836		4,836
Glenrose Hospital			
Health Offices and Clinics	319		319
Mobile Equipment Services	30,718		30,718
Integrated Services Facilities	7,745		7,745
Mobile Home Park	1,651		1,651
Convention Centre	40,672		40,672
Land Inventory	73,734		73,734
Edmonton Research & Development Park	11,433		11,433
	1,505,232	12,494	1,492,738
TOTAL	$1,731,804	$ 12,494	$1,719,310

Sinking Fund Required Earnings

Long-Term Borrowing Position		Principal and Interest Payments on Long-Term Debt (Accrued)			
Pending or (Unexpended) Debenture Borrowings	Total Long-Term Debt Position	Principal	Interest	Provincial Government Interest Rebate	Total
$ (2,997)	$ 15,841	$ 237	$ 2,344	$ 691	$ 1,890
	11,536	132	1,737	623	1,246
	8,067	319	1,192	352	1,159
(2,997)	35,444	688	5,273	1,666	4,295
(1,971)	1,633	128	477	101	504
	12,010	865	1,083	92	1,856
	521	102	41		143
	134	14	10		24
	240	11	19		30
	2,113	343	162		505
	74,796	1,342	9,122	2,494	7,970
(1,971)	91,447	2,805	10,914	2,687	11,032
2,256	47,217	1,780	5,176	1,116	5,840
(1,297)	3,703		530	90	440
	23,089	1,048	2,899	698	3,249
	5,317	192	745	239	698
	1,494	115	105		220
	110	8	8		16
300	4,353	272	385	75	582
548	1,298	127	127	40	214
	9,929	85	1,243	354	974
(449)	49,303	1,847	6,042	1,496	6,393
44,444	452,177	8,893	45,204		54,097
(12,509)	320,445	13,938	40,202		54,140
	75,586	1,194	10,715	3,186	8,723
(9,312)	183,549	2,603	23,615	6,373	19,845
1,108	97,178	2,085	11,002	2,804	10,283
	3,776	71	438	108	401
	10,147	2,966	872	27	3,811
6,862	185,421	5,511	20,428	5,424	20,515
	911	103	55		158
(3,152)	19,881	218	659	96	781
	4,836	55	623	128	550
		16			16
	319	23	25	1	47
997	31,715	2,144	4,530	1,399	5,275
(274)	7,471	58	1,072	370	760
	1,651	13	193	55	151
	40,672	17,157	7,579	2,538	22,198
	73,734	7,949	12,117	3,953	16,113
	11,433	36	2,129	869	1,296
28,164	1,520,902	65,033	181,458	27,331	219,160
$ 25,003	$1,744,313	$ 72,153	$ 208,863	$ 34,296	$ 246,720
		$ 556			
		$ 72,709			

Schedule of Taxation

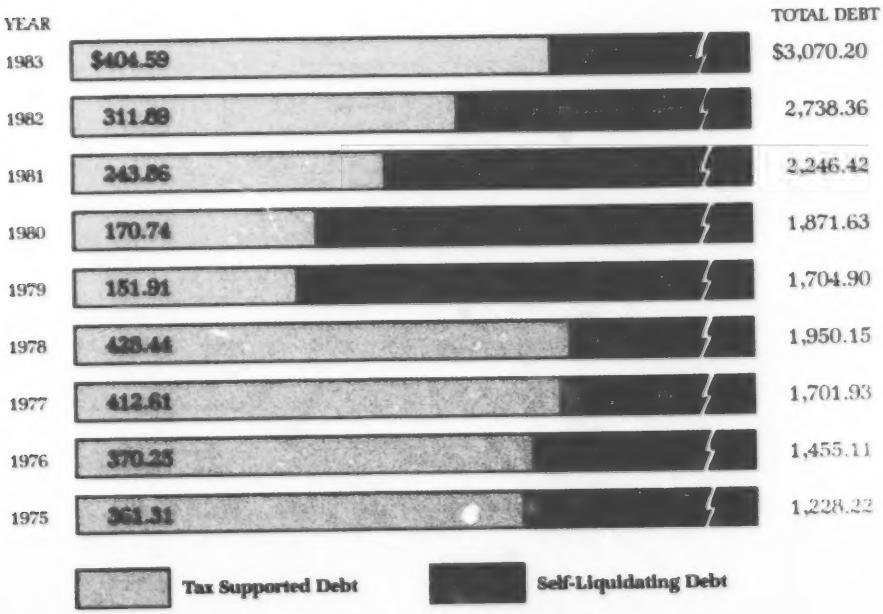
December 31, 1983 and 1982
(in thousands of dollars)

	1983	1982
Property Taxes:		
Arrears — January 1	$ 45,547	$ 25,112
Add — Penalties	13,474	9,989
— Sundry adjustments	172	1,554
	59,193	36,655
Add current year's tax levy:		
Tax levy bylaw	319,905	295,353
Supplementary and partial tax levy and adjustments	2,536	3,661
Assessment appeals tax reductions	(1,601)	(6,776)
Municipal and school taxes	320,840	292,238
Special frontage and local improvement taxes	25,202	22,048
Other special charges	321	328
	346,363	314,614
Less collections:		
Collections of current taxes	323,353	288,301
Collections of arrears of taxes	33,698	16,430
Discount	1,200	991
	358,251	305,722
Property tax arrears — December 31	47,305	45,547
Business Taxes:		
Arrears — January 1	11,187	6,167
Add — Penalties	2,572	1,477
— Sundry adjustments	22	65
	13,781	7,709
Add current year's tax levy	49,276	43,938
Add Convention Centre	4,377	4,059
	53,653	47,997
Less collections:		
Current taxes	43,935	39,105
Arrears of taxes	5,373	3,331
Discount	1,970	1,798
Taxes written off	659	285
	51,937	44,519
Gross business tax arrears	15,497	11,187
Less — Allowance for uncollectible taxes	6,100	1,429
Business tax arrears — December 31	9,397	9,758
Total Tax Arrears	$ 56,702	$ 55,305

Schedule of Funded Debt Transactions

December 31, 1983 and 1982 (in thousands of dollars)	Net Debt December 31, 1982	Issues	Redemptions	Net Debt December 31, 1983
Self-Liquidating Debt:				
Utilities	$ 877,915	$183,622	$ 28,143	$1,033,394
Transit	64,280	12,500	1,194	75,586
Local Improvements	167,070	17,000	5,511	178,559
Hospitals	4,907		71	4,836
Mill Woods Project	13,116		2,969	10,147
Public Housing	23,251		218	23,033
Parking Garage	1,014		103	911
Health Offices and Clinics	342		23	319
Mobile Equipment Services	27,462	5,400	2,144	30,718
Mobile Home Park	1,478	186	13	1,651
Integrated Services Facilities	7,803		58	7,745
Convention Centre	57,829		17,157	40,672
Land Inventory	81,683		7,949	73,734
Research and Development Park	11,469		36	11,433
	1,339,619	218,708	65,589	1,492,738
Debt Subject to Taxation:				
General	134,972	51,979	5,340	181,611
Storm Sewer and Solid Wastes	35,106	11,635	1,780	44,961
	170,078	63,614	7,120	226,572
Total	$1,509,697	$282,322	$ 72,709	$1,719,310

DISTRIBUTION OF NET LONG-TERM DEBT — PER CAPITA



As at December 31, 1983, projects pending debenture funds amounted to $44.664 million for self-liquidating and $3.161 million for tax-supported projects.

Statement of Interest Rates on Long-Term Debt

December 31, 1983
(in thousands of dollars)

Percentage Rate Of Interest	Long-Term Debt	Annual Interest
3.500	$ 30	$ 1
4.000	77	3
4.500	431	19
5.000	68	3
5.250	987	52
5.375	2,970	160
5.625	881	49
5.750	23,477	1,350
5.875	55	3
6.000	9,994	600
6.375	224	14
6.670	819	55
6.750	4,800	324
6.830	167	11
6.875	2,353	162
7.000	835	58
7.500	24,118	4,156
7.625	5,410	412
7.750	45,578	3,532
7.875	3,492	275
8.000	21,445	1,716
8.031	729	59
8.125	6,000	487
8.250	5,560	459
8.500	20,813	1,769
8.750	8,609	753
8.875	496	44
9.000	6,500	585
9.250	103,234	9,549
9.375	62,873	5,894
9.500	3,356	319
9.750	106,881	10,420
10.000	68,029	6,803
10.125	450	45
10.375	16,366	1,698
10.500	86,050	9,035
11.125	29,537	3,286
11.500	12,119	1,394
11.750	54,445	6,397
12.000	57,408	6,889
12.250	100,000	12,250
12.375	4,622	572
12.500	2,455	307
12.625	26,444	3,338
12.750	4,700	599
13.000	43,000	5,590
13.250	44,103	5,843
13.500	933	126
13.625	12,872	1,754
13.750	117,394	16,142
14.000	29,761	4,166
14.250	3,908	557
14.500	2,628	381
15.250	41,925	6,393
16.000	135,789	21,726
16.250	51,891	8,432
16.500	117,702	19,420
17.000	73,265	12,455
18.125	51,874	9,402
19.000	68,872	13,086
Gross Debt	1,731,804	$ 221,379
Sinking Fund	12,494	
Net Debt	$1,719,310	

Average Annual Interest Rate $\frac{221,379}{1,731,804} \times 100 = 12.78\%$

Summary of Outstanding Long-Term Debt

December 31, 1983
(in thousands of dollars)

Debenture Debt Issued To:	
Province of Alberta	$ 3,809
Alberta Municipal Financing Corporation	1,527,876
City of Edmonton Sinking Fund	539
Central Mortgage and Housing Corporation	6,454
Municipal Development and Loan Board	2,940
Government of Canada	1,444
General Public	169,235
Alberta Opportunity Company	390
Alberta Housing Corporation	3,081
Alberta Government Telephones	
	1,715,768
Mortgages Issued To:	
Municipal Development and Loan Board	1,850
Central Mortgage and Housing	14,186
	16,036
Total Long-Term Debt	$1,731,804

The Long-Term Debt of The City of Edmonton is payable in the following currency and amounts:

Canadian Dollars	$1,709,004
U.S. Dollars	22,800
	$1,731,804

Annual Long-Term Debt Service Charges

	Self-Liquidating				Tax Supported				
Year	Principal	Interest	Rebate	Sub-Total	Principal	Interest	Rebate	Sub-Total	Total
1984	$58,578	$244,125	$34,590	$268,113	$15,248	$43,248	$10,255	$48,241	$316,354
1985	63,432	235,574	33,284	265,722	16,401	40,697	9,904	47,194	312,916
1986	67,756	226,103	31,847	262,012	17,751	37,892	9,606	46,037	308,049
1987	74,719	215,712	30,260	260,171	19,036	34,786	9,231	44,591	304,762
1988	50,343	205,608	28,803	227,148	20,425	31,389	8,879	42,935	270,083
1989	50,197	199,461	27,897	221,761	8,774	28,681	8,512	28,943	250,704
1990	53,312	193,115	27,237	219,190	9,445	27,255	8,182	28,518	247,708
1991	56,496	184,893	26,464	214,925	10,042	25,664	7,797	27,909	242,834
1992	59,384	176,295	25,629	210,050	8,584	24,007	7,394	25,197	235,247
1993	57,771	162,131	24,784	195,118	6,722	22,631	7,049	22,304	217,422
1994	61,196	149,482	23,720	186,958	5,795	21,288	6,816	20,267	207,225
1995	66,521	139,259	22,589	183,191	5,421	20,070	6,507	18,984	202,175
1996	71,636	128,034	21,299	178,371	6,198	18,881	6,147	18,932	197,303
1997	69,701	116,045	19,920	165,826	6,535	17,528	5,717	18,346	184,172
1998	70,028	104,917	18,474	156,471	6,917	16,031	5,242	17,706	174,177
1999	68,754	94,286	17,008	146,032	8,016	14,340	4,667	17,689	163,721
2000	69,778	83,534	15,362	137,950	9,191	12,378	4,008	17,561	155,511
2001	69,106	72,310	13,583	127,833	9,027	10,128	3,251	15,904	143,737
2002	63,894	61,267	11,661	113,500	7,129	7,958	2,527	12,560	126,060
2003	59,087	47,527	9,692	96,922	4,821	6,486	2,042	9,265	106,187
2004	52,629	34,306	7,569	79,366	5,597	5,345	1,669	9,273	88,639
2005	49,055	24,454	5,239	68,270	6,498	4,018	1,234	9,282	77,552
2006	41,732	14,573	2,852	53,453	6,683	2,484	728	8,439	61,892
2007	26,825	6,051	963	31,913	4,388	982	244	5,126	37,039
2008	4,721	5,957	70	10,608	1,357	180	29	1,508	12,116

Special Funds – Financial Statements

THE SINKING FUND OF THE CITY OF EDMONTON

Auditors' Report

To the Mayor and Council
The City of Edmonton

We have examined the balance sheet of The Sinking Fund of The City of Edmonton as at December 31, 1983 and the statements of earnings and unappropriated surplus and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Sinking Fund of The City of Edmonton as at December 31, 1983, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Edmonton, Canada
March 14, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Balance Sheet

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Cash	$ 3	$ 2
Accrued interest on investments	560	490
Due from The City of Edmonton	3	10
Short-term investments — at cost:		
The City of Edmonton	150	445
Commercial paper	21,318	16,416
	22,034	17,363
Bonds and debentures — at amortized cost (note 2)	8,479	8,298
	$30,513	$25,661
LIABILITIES, RESERVES AND SURPLUS		
Accounts payable	$ 393	$ 94
Reserve for debt retirement:		
9¼% Series U due September 1, 1990	2,832	2,545
9¼% Series W due December 15, 1990	1,507	980
8¾% Series Y due August 4, 1991	1,965	1,754
8½% Series AA due May 15, 1992	3,101	2,746
8 % Series AB due June 15, 1992 (U.S. payable)	3,089	2,735
Allowance for exchange costs at maturity	755	626
Total funds required to be provided	13,249	11,386
Unappropriated surplus	16,871	14,181
	$30,513	$25,661

See accompanying notes to financial statements.

THE SINKING FUND OF THE CITY OF EDMONTON

Statement of Changes in Financial Position

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
FUNDS PROVIDED FROM:		
Operations:		
Net earnings	$ 3,375	$ 3,931
Gain on foreign currency transactions	(52)	(39)
Gain on sale of securities	(540)	(841)
Amortization of discounts and premium	(156)	(230)
	2,627	2,821
Proceeds from sale and maturity of bonds and debentures:		
Government of Canada	200	8,098
Provinces of Canada		2
The City of Edmonton	2,184	1,887
	2,384	9,987
Payments received from The City of Edmonton	1,178	1,178
	6,189	13,986
FUNDS APPLIED TO:		
Purchases of bonds and debentures:		
Government of Canada		7,512
The City of Edmonton	1,817	1,043
Increase in working capital	4,372	5,431
	$ 6,189	$13,986
Changes in working capital:		
Increase in current assets	$ 4,671	$ 5,523
Increase in current liabilities	299	92
Increase in working capital	$ 4,372	$ 5,431

See accompanying notes to financial statements.

THE SINKING FUND OF THE CITY OF EDMONTON

Statement of Earnings and Unappropriated Surplus

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Interest earnings	$ 2,627	$ 2,821
Amortization of discounts and premiums — net	156	230
Gain on sale of securities	540	841
Gain on foreign currency transactions	52	39
Net earnings	3,375	3,931
Appropriation for foreign exchange on debentures maturing in future years	129	178
	3,246	3,753
Appropriation required earnings on sinking funds	556	474
Unappropriated earnings for the year	2,690	3,279
Unappropriated surplus, beginning of year	14,181	10,902
Unappropriated surplus, end of year	$16,871	$14,181

See accompanying notes to financial statements.

Notes to Financial Statements

December 31, 1983

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of Edmonton makes annual payments into The Sinking Fund as required by each debenture issue. These funds are invested by The Sinking Fund in securities approved in the Municipal Government Act. The annual rate of return required by the issue is allocated to meet the future debt requirements. Earnings in excess of those required are maintained within the fund as unappropriated surplus.

This unappropriated surplus may, on the request of the City Council and subject to the approval of the Local Authorities Board, be used for such purposes as approved by the Board.

(a) Foreign exchange:
Some of the debenture issues are redeemable in foreign currencies. An allowance for exchange costs at maturity has been recorded to cover potential exchange losses on Sinking Fund installments using current exchange rates at December 31, 1983.

Investments in foreign currency are converted to Canadian dollars at rates prevailing at date of purchase. Gains and losses on foreign exchange are recorded at the time of sale or maturity of securities.

(b) Amortization of premiums and discounts:
Bond and debenture premiums and discounts are amortized on a straight-line basis over the term of the issue.

2. BONDS AND DEBENTURES:

	Par value	Market Value		Amortized Cost	
	1983	1983	1982	1983	1982
Government of Canada	$2,200,000	$2,198,900	$2,402,600	$2,197,170	$2,363,013
Provinces of Canada	1,700,000	1,360,000	1,364,400	1,698,558	1,690,572
The City of Edmonton	5,348,705	4,149,151	4,174,644	4,383,581	4,036,584
Other municipalities	200,000	177,000	170,700	199,404	199,253
	$9,448,705	$7,885,051	$8,112,344	$8,478,713	$8,297,422

THE RESERVES FUND OF THE CITY OF EDMONTON

Auditors' Report

To the Mayor and Council
The City of Edmonton

We have examined the balance sheet of The Reserves Fund of The City of Edmonton as at December 31, 1983 and the statements of earnings, reserve deposits and equity and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Reserves Fund of The City of Edmonton as at December 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Edmonton, Canada
March 14, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Balance Sheet

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Cash	$ 2	$ 2
Accrued interest on investments	347	375
Accounts receivable	1	1
Due from The City of Edmonton	1,809	
Short-term investments — at cost:		
The City of Edmonton	660	670
Commercial paper	19,343	15,661
	22,364	16,709
Bonds and debentures — at amortized cost (note 2)	5,419	7,350
Less allowance to reduce to market value	379	124
	5,040	7,226
	$27,404	$23,935
LIABILITIES, RESERVES AND EQUITY		
Accounts payable	$ 1	$ 79
Due to The City of Edmonton		252
	1	331
Reserve deposits	10,887	8,468
The City of Edmonton equity	16,516	15,136
	$27,404	$23,935

See accompanying notes to financial statements.

THE RESERVES FUND OF THE CITY OF EDMONTON

Statement of Earnings

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Revenue:		
Interest earned (net)	$ 2,351	$ 2,781
Gain on disposal of securities	127	341
Gain on foreign currency translation		70
Amortization of discounts and premiums (net)	47	107
	2,525	3,299
Expenses:		
Trustee honorariums	1	1
Other expenses	1	2
	2	3
Net earnings	$ 2,523	$ 3,296
Distribution of Net Earnings:		
Reserve deposits	$ 888	$ 1,200
The City of Edmonton equity	1,635	2,096
	$ 2,523	$ 3,296

See accompanying notes to financial statements.

Statement of Reserve Deposits and Equity

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	December 31, 1982	Deposits	Net Earnings	Withdrawals	Adjustment to Market	December 31, 1983
Deposits:						
Cemetery Perpetual Care	$ 1,355	$ 84	$ 119	$ 292	$	$ 1,266
Edmonton Creche and Day Nursery	2					2
Royal Alexandra Hospital Board	21		1	22		
The Edmonton Public Library Board	279		31			310
Parkland Reserve Trust	1,054	939	154	1,413		734
Self-Insurance	5,507	2,261	557			8,325
Motor Vehicles	250		26	26		250
Total deposits	8,468	3,284	888	1,753		10,887
The City of Edmonton equity	15,136		1,635		255	16,516
	$23,604	$ 3,284	$ 2,523	$ 1,753	$ 255	$27,403

See accompanying notes to financial statements.

THE RESERVES FUND OF THE CITY OF EDMONTON

Statement of Changes in Financial Position

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
FUNDS PROVIDED FROM:		
Operations:		
Net earnings	$ 2,523	$ 3,296
Gain on disposal of securities	(127)	(341)
Gain on foreign currency translation		(70)
Amortization of discounts and premiums	(47)	(107)
	2,349	2,778
Proceeds from disposals of bonds and debentures:		
Government of Canada	4,330	6,147
Provinces of Canada	1,319	312
The City of Edmonton		1,223
Municipalities	235	14
Corporation		300
	5,884	7,996
Deposits to reserve deposits	3,284	1,398
	11,517	12,172
FUNDS APPLIED TO:		
Purchases of bonds and debentures:		
Government of Canada	1,640	1,901
The City of Edmonton	2,139	
	3,779	1,901
Withdrawals from reserve deposits	1,753	1,995
Increase in working capital	5,985	8,276
	$11,517	$12,172
Changes in Working Capital:		
Increase in current assets	$ 5,655	$ 8,604
Increase (decrease) in current liabilities	(330)	328
Increase in working capital	$ 5,985	$ 8,276

See accompanying notes to financial statements.

THE RESERVES FUND OF THE CITY OF EDMONTON

Notes to Financial Statements

December 31, 1983

The City of Edmonton maintains The Reserves Fund to finance the specified activities summarized on the Schedule of Deposits and Investments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Foreign Exchange
Gains or losses on foreign exchange are recognized only at the time of sale of the securities.

(b) Amortization of Premiums and Discounts
Bond and debenture premiums and discounts are amortized on a straight-line basis over the term of the issue.

(c) Distribution of Net Earnings
Net earnings are distributed to deposits and The City of Edmonton equity account based on their proportionate share of the total assets.

(d) Adjustment to Market
The adjustment to value bonds and debentures at market value is applied directly to The City of Edmonton equity account.

2. BONDS AND DEBENTURES:

	Par value	Market Value		Amortized Cost	
	1983	1983	1982	1983	1982
Government of Canada	$1,420,000	$1,419,575	$4,156,011	$1,417,500	$3,646,503
Provinces of Canada			1,259,484		1,625,058
The City of Edmonton	3,422,000	2,999,906	994,132	3,352,997	1,207,349
Other municipalities and school districts	25,000	20,500	239,966	22,274	254,296
Corporations	700,000	600,513	576,362	626,915	617,351
Total	$5,567,000	$5,040,494	$7,225,955	$5,419,686	$7,350,557

THE PENSION FUND OF THE CITY OF EDMONTON

Auditors' Report

To the Mayor and Council
The City of Edmonton

We have examined the statements of net assets of The Pension Fund of The City of Edmonton as at December 31, 1983 and the accompanying statements of changes in net assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the net assets of The Pension Fund of The City of Edmonton as at December 31, 1983 and the changes therein for the year then ended in accordance with the accounting principles set out in note 1(a) to the financial statements applied on a basis consistent with that of the preceding year.

Edmonton, Canada
May 1, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Pension Investment Fund Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Cash	$ 302	$ 2
Accrued interests on investments	630	427
Accounts receivable	915	46
Short-term investments, at cost	2,094	13,623
Bonds and debentures, at market value (note 2)	17,139	11,171
Common and preferred shares, at market value (note 2)	16,863	7,412
Mortgages, at market value (note 2)	760	912
	38,703	33,593
Less liabilities:		
Accounts payable	454	108
Net assets (note 1c)	$38,249	$33,485

See accompanying notes to financial statements.

THE PENSION FUND OF THE CITY OF EDMONTON

Pension Investment Fund Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Net cash flow of:		
Annuity Fund	$ (682)	$ (722)
Police Supplementary Pension Fund	(121)	(126)
Fire Supplementary Pension Fund	985	966
Group Life Insurance Fund	(11)	(8)
General Pension Fund	(23)	(45)
Fire Chief/Deputy Fire Chief Supplementary Pension Fund	4	6
	152	71
Investment income:		
Interest from short-term investments (net)	986	968
Bonds and debentures:		
Interest	1,577	1,781
Capital appreciation (depreciation)	(546)	3,218
Common and preferred shares:		
Dividends	426	398
Capital appreciation	2,100	148
Mortgages:		
Interest	65	78
Capital appreciation	96	105
Mortgage fees	(4)	(5)
	4,700	6,691
Less investment expenses:		
Investment counselling fees	73	63
Administration	15	13
	88	76
Net investment income	4,612	6,615
Increase in net assets	4,764	6,686
Net assets, beginning of year	33,485	26,799
Net assets, end of year (note 1c)	$38,249	$33,485

See accompanying notes to financial statements.

THE PENSION FUND OF THE CITY OF EDMONTON

Annuity Fund Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
53,614.86 units of Pension Investment Fund at $30.139960 per unit (1982: 77,672.39 units at $26.495274 per unit)	$ 1,616	$ 2,057
Accounts receivable	2	1
	1,618	2,058
Less accounts payable		2
Net assets	$ 1,618	$ 2,056

See accompanying notes to financial statements.

Annuity Fund Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Contributions — The City of Edmonton	$ 29	$ 35
Investment income of Pension Investment Fund allocated to Annuity Fund	241	433
	270	468
Less: Pension payments	708	755
Administrative expenses		4
	708	759
Decrease in net assets	(438)	(291)
Net assets, beginning of year	2,056	2,347
Net assets, end of year	$ 1,618	$ 2,056

See accompanying notes to financial statements.

THE PENSION FUND OF THE CITY OF EDMONTON

Police Supplementary Pension Fund Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
64,971.89 units of Pension Investment Fund at $30.139960 per unit (1982: 69,214.57 units at $26.495274 per unit)	$ 1,958	$1,834
Less accounts payable	19	
Net assets	$ 1,939	$ 1,834

See accompanying notes to financial statements.

Police Supplementary Pension Fund Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Investment income of Pension Investment Fund allocated to Police Supplementary Pension Fund	$ 245	$ 367
Less: Pension payments	140	126
Increase in net assets	105	241
Net assets, beginning of year	1,834	1,593
Net assets, end of year	$ 1,939	$ 1,834

See accompanying notes to financial statements.

THE PENSION FUND OF THE CITY OF EDMONTON

Fire Supplementary Pension Fund Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
370,173.89 units of Pension Investment Fund at $30.139960 per unit (1982: 335,539.05 units at $26.495274 per unit)	$11,157	$ 8,890
Contributions receivable	15	12
	11,172	8,902
Less accounts payable	16	
Net assets	$11,156	$ 8,902

See accompanying notes to financial statements.

Fire Supplementary Pension Fund Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Contributions:		
Employees	$ 344	$ 320
The City of Edmonton	986	936
Investment income of Pension Investment Fund allocated to Fire Supplementary Pension Fund	1,282	1,709
	2,612	2,965
Less: Pension payments	329	276
Withdrawals of contributions	13	6
Administrative expenses	16	
	358	282
Increase in net assets	2,254	2,683
Net assets, beginning of year	8,902	6,219
Net assets, end of year	$11,156	$ 8,902

See accompanying notes to financial statements.

Supplementary Pension Plan for Employees in the Position of Fire Chief and Deputy Fire Chief Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
2,484.16 units of Pension Investment Fund at $30.139960 per unit (1982: 2,353.60 units at $26.495274 per unit)	$ 75	$ 62

See accompanying notes to financial statements.

Supplementary Pension Plan for Employees in the Position of Fire Chief and Deputy Fire Chief Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Contributions:		
Employees	$ 2	$ 2
The City of Edmonton	3	3
Investment income of Pension Investment Fund allocated to Fire Chief/Deputy Fire Chief Fund	9	12
	14	17
Less: Pension payments	1	1
Increase in net assets	13	16
Net assets, beginning of year	62	46
Net assets, end of year	$ 75	$ 62

See accompanying notes to financial statements.

THE PENSION FUND OF THE CITY OF EDMONTON

Group Life Insurance Fund Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
1,748.34 units of Pension Investment Fund at $30.139960 per unit (1982: 2,126.54 units at $26.495274 per unit)	$ 53	$ 56

See accompanying notes to financial statements.

Group Life Insurance Fund Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Investment income of Pension Investment Fund allocated to Group Life Insurance Fund	$ 7	$ 11
Less: Life insurance benefits paid	10	8
Increase (decrease) in net assets	(3)	3
Net assets, beginning of year	56	53
Net assets, end of year	$ 53	$ 56

See accompanying notes to financial statements.

THE PENSION FUND OF THE CITY OF EDMONTON

General Pension Fund Statement of Net Assets

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
776,059.94 units of Pension Investment Fund at $30.139960 per unit (1982: 776,926.67 units at $27.495274 per unit)	$23,390	$20,585
Less liabilities:		
Due to Local Authorities Pension Plan	11	23
Net assets	$23,379	$20,562

See accompanying notes to financial statements.

General Pension Fund Statement of Changes in Net Assets

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Investment income of Pension Investment Fund allocated to General Pension Fund	$ 2,829	$ 4,082
Less payments on account of liability to Local Authorities Pension Plan	11	27
Increase in net assets	2,818	4,055
Net assets, beginning of year	20,561	16,506
Net assets, end of year	$23,379	$20,561

See accompanying notes to financial statements.

Notes to Financial Statements

December 31, 1983

1. SIGNIFICANT ACCOUNTING POLICIES:

a) The financial statements of The Pension Fund of The City of Edmonton, prepared on an unitized basis, consist of the financial statements of the six member funds that are summarized to form the Pension Investment Fund. The six member funds are:

i) Annuity Fund;
ii) Police Supplementary Pension Fund;
iii) Fire Supplementary Pension Fund;
iv) Group Life Insurance Fund;
v) General Pension Fund; and
vi) Fire Chief/Deputy Fire Chief Supplementary Pension Fund.

The accompanying financial statements have been prepared on an accrual basis and present the net assets available for pension benefits and changes in these net assets. The financial statements show only the assets and liabilities under the control of the Trustees of The City of Edmonton Pension Fund and do not purport to show the adequacy of the Fund to meet the obligations to the participants in The City of Edmonton pension plans.

b) The accounts of the Pension Investment Fund include the following:

i) assets, consisting primarily of investments of the Pension Investment Fund and accounts receivable;
ii) liabilities, consisting primarily of accounts payable;
iii) sources of net assets, consisting primarily of employee pension contributions and City of Edmonton contributions; and
iv) uses of net assets, consisting primarily of pensions paid and repayments of contributions to employees or others.

The accounts of the member funds include the following:

i) assets, consisting primarily of units of the Pension Investment Fund and accounts receivable;
ii) liabilities, consisting primarily of accounts payable;
iii) sources of net assets, consisting primarily of employee pension contributions, City of Edmonton contributions and a proportionate share of the investment income of the Pension Investment Fund; and
iv) uses of net assets, consisting primarily of pensions paid and payments or repayments of contributions to employees or others.

c) Units of the Pension Investment Fund were allocated to certain member funds in proportion to their interest in the Pension Investment Fund as of January 1, 1972, the starting date for the unitization process, at an initial value of $10 per unit. Subsequently, units have been allocated quarterly to member funds based on their respective cash flows at a unit value calculated by reference to the market value of the net assets of the Pension Investment Fund and the number of units outstanding.

The units of the Pension Investment Fund held by member funds and the respective share of Pension Investment Fund net assets represented by these units at December 31, 1983 and December 31, 1982 are as follows:

	Units		Amount	
	1983	1982	**1983**	1982
Annuity Fund	**53,614.86**	77,672.39	**$ 1,615,949**	$ 2,057,952
Police Supplementary Pension Fund	**64,971.89**	69,214.57	**1,958,250**	1,833,857
Fire Supplementary Pension Fund	**370,173.89**	335,539.05	**11,157,026**	8,890,198
Group Life Insurance Fund	**1,748.34**	2,126.54	**52,695**	56,343
General Pension Fund	**776,059.94**	776,926.67	**23,390,414**	20,584,884
Fire Chief/Deputy Fire Chief Supplementary Pension Fund	**2,484.16**	2,353.60	**74,872**	62,359
	1,269,053.08	1,263,832.82	**$38,249,206**	$33,485,593

Notes to Financial Statements — cont'd.

December 31, 1983

2. INVESTMENTS:

Investments, excluding short-term investments, consist of:

	Market Value		Cost	
	1983	1982	**1983**	1982
Bonds:				
Government of Canada	**$16,708,364**	$10,492,837	**$16,981,970**	$ 9,796,120
Provinces of Canada	**351,088**	439,902	**463,562**	612,434
Debentures:				
Corporate	**79,500**	238,800	**97,314**	297,314
	$17,139,152	$11,171,539	**$17,542,846**	$10,705,868
Common and preferred shares	**$16,862,897**	$ 7,411,822	**$14,470,969**	$ 6,674,668
Mortgages	**$ 760,000**	$ 911,788	**$ 800,831**	$ 1,049,169

The market value of mortgages is a calculated amount based upon the relationship of current mortgage interest rates and the mortgage rates in the investment portfolio.

3. ACTUARIAL SURPLUSES AND DEFICIENCIES:

a) **Annuity Fund:**
An actuarial valuation of this fund as of December 31, 1983 disclosed an unfunded liability of approximately $2,000,000. As of December 31, 1983 this amount has not been funded, however, a proposed settlement of a Pension Fund litigation (note 4) would fully satisfy the unfunded liability.

b) **Police Supplementary Pension Fund:**
An actuarial valuation performed as of December 31, 1979 disclosed this fund to be fully funded.

c) **Fire Supplementary Pension Fund:**
Based on the most recent actuarial valuation as of June 30, 1983 the Fire Supplementary Pension Fund had an aggregate unfunded liability, amounting to approximately $14,725,000. Of this amount $1,957,400 will be funded over the next nine years, the yearly payments being $332,664. The funding for the remaining balance is uncertain at this date.

d) **Group Life Insurance Fund:**
As of December 31, 1983, an amount of $21,448 was determined to be the amount required to pay future beneficiaries from this fund. The net assets of this fund as of December 31, 1983 amounted to $52,695 indicating this fund to be over funded by $31,247.

e) **Fire Chief/Deputy Fire Chief Supplementary Pension Fund:**
An actuarial valuation as of January 1, 1980 disclosed an unfunded liability of $39,453. Subsequent to the valuation, this amount was funded.

4. CONTINGENCY:

At the time of transfer of the General Pension Fund to the Local Authorities Pension Plan approximately $10,000,000 was not transferred. The amount relates primarily to employers' contributions prior to the date of transfer. Certain employee associations have commenced legal action for the recovery of these funds. A proposed settlement is before the courts. Under the proposed settlement the Annuity Fund will be increased to $4,000,000; excess employee contributions will be refunded to the employees and certain legal costs incurred by the parties will be covered by the fund. The amount remaining, including the investment earnings attributed to the disputed funds, in The City of Edmonton General Pension Fund would be divided so that 67 per cent would be paid to or held on behalf of the employers and the remaining 33 per cent would be paid over to a Trustee for the benefit of the employees who were members of the Pension Plan prior to December 31, 1966. This settlement is tentative and must be approved by the courts. As at December 31, 1983 these funds are included in the net assets of The Pension Fund of The City of Edmonton.

Boards – Financial Statements

The Edmonton Exhibition Association Limited
The Edmonton Exhibition Association Limited is a non-profit company incorporated under the Laws of Alberta. It has authorized and issued 200 shares and under the provisions of the Articles of Association, no dividends or profits shall be paid to any of the shareholders of the company. The Board of Directors consists of twenty-eight members of whom fourteen are appointed by The City of Edmonton. Serving on the Executive Committee of the Board are the Mayor and two Aldermen and as ex-officio directors are the City Commissioners.

Because The City of Edmonton owns the land on which all the Association properties are situated all buildings and improvements situated thereon are the properties of The City of Edmonton.

The Edmonton Public Library Board
The Edmonton Public Library Board operates under the Libraries Act (Provincial Statute). The Board consists of nine members of whom two are Aldermen. The Board exercises general management, regulations and control of the Library.

The City of Edmonton uses taxes to provide operating funds and as required with the approval of the Local Authorities Board borrows money to finance capital expenditures. The City's financial statements reflect the operations of the Library.

Royal Alexandra Hospital Board
The Royal Alexandra Hospital Board consists of the Mayor and three Aldermen.

As The City of Edmonton owns the land on which the hospital is situated, all buildings and improvements are the property of the City. The City, with the approval of the Local Authorities Board, borrows funds for capital programs.

The City's financial statements only include the assets of the Royal Alexandra Hospital equivalent to the outstanding debenture borrowings. All debt servicing is recovered from the Provincial Government.

The Edmonton Public School District No. 7
The Edmonton R.C. Separate School District No.7
School Administration is completely independent from the City Council and subject to control by the Provincial Government pursuant to the provisions of the School Act.

The School Boards establish their own budgets for current and capital expenditures and have the power with the approval of the Local Authorities Board to borrow money.

The only relationship between these two boards and The City of Edmonton is that the City is obligated to provide funds raised by taxes deemed necessary by the School Boards.

The Edmonton Local Board of Health
The Local Board of Health operates under the Public Health Act with one alderman serving as a member of the Board.

The Board operates independently from the City. The City's only financial involvement is to show the assets of the Board equal to the outstanding debenture debt for which servicing costs are recovered from the Provincial Government.

THE EDMONTON EXHIBITION ASSOCIATION LIMITED
(Incorporated under the laws of Alberta)

Auditors' Report

To the Shareholders of
The Edmonton Exhibition Association Limited:

We have examined the balance sheet of The Edmonton Exhibition Association Limited as at September 30, 1983 and the statements of reinvested earnings, income and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Association as at September 30, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with accounting policies described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Edmonton, Canada
November 15, 1983
(November 30, 1983 with respect to Note 9)

Clarkson Gordon
Chartered Accountants

THE EDMONTON EXHIBITION ASSOCIATION LIMITED
(Incorporated under the laws of Alberta)

Balance Sheet

September 30, 1983
(with comparative figures as at September 30, 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Current:		
Cash and short-term investments	$ 2,753	$ 9,277
Accounts receivable	754	516
Due from Western Canada Lottery Alberta Division	775	750
Due from Province of Alberta	1,930	2,460
Due from Government of Canada	5,250	
Inventories	183	176
Prepaid expenses and deposits	599	213
Total current assets	12,244	13,392
Fixed assets (Note 2)	64,192	47,388
	$ 76,436	$ 60,780
LIABILITIES AND EQUITY		
Current:		
Accounts payable and accrued charges	$ 6,645	$ 6,909
Pari-mutuel taxes		210
Accrued interest on long-term debt	493	501
Construction holdbacks payable	3,989	1,921
Current portion of long-term debt	329	155
Total current liabilities	11,456	9,696
Long-term debt (Note 3)	10,937	8,708
Deferred revenue (Note 4)	213	242
Contributions for expansion of facilities and capital debt retirement (Note 5)	30,437	22,562
Equity:		
Capital — Authorized and issued: 200 shares of $5 each	1	1
Reinvested earnings	23,392	19,571
	23,393	19,572
Commitments (Note 6)		
	$ 76,436	$ 60,780

(See accompanying notes)

THE EDMONTON EXHIBITION ASSOCIATION LIMITED

Statement of Income

For the Year Ended September 30, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	Revenue		Direct Expenses		Operating Income (Loss)	
	1983	1982	**1983**	1982	**1983**	1982
Facilities	**$ 7,681**	$ 7,142	**$ 6,802**	$ 7,798	**$ 879**	$ (656)
Concessions	**3,574**	3,209	**2,465**	2,350	**1,109**	859
Lounges and dining facilities	**3,825**	4,259	**3,102**	3,509	**723**	750
Agriculture	**198**	155	**676**	628	**(478)**	(473)
Rodeos	**708**	722	**713**	717	**(5)**	5
Thoroughbred racing	**7,785**	8,022	**7,666**	7,993	**119**	29
Harness racing	**4,135**	5,895	**4,407**	5,836	**(272)**	59
Klondike Days	**5,081**	4,962	**3,922**	3,895	**1,159**	1,067
Northlands sponsored events	**441**	408	**447**	474	**(6)**	(66)
	33,428	34,774	**30,200**	33,200	**3,228**	1,574
Less internal rental revenue and expenses	**(2,528)**	(2,846)	**(2,528)**	(2,846)		
	$30,900	$31,928	**$27,672**	$30,354	**3,228**	1,574
Indirect expenses, depreciation and amortization:						
Administration					**1,317**	1,215
Interest expense (income) net of interest income (Note 7)					**734**	(742)
Contributions to other groups					**44**	49
Community relations					**41**	
1982 theme endowment program						500
Depreciation					**1,626**	2,892
Amortization of contributions for expansion of facilities and capital debt retirement (Note 5)					**(705)**	(1,122)
					3,057	2,792
Income (loss) before the following items					**171**	(1,218)
Province of Alberta contributions					**1,239**	1,360
Share of income of Western Canada Lottery Alberta Division (Note 8)					**2,411**	3,246
Net income					**$ 3,821**	$ 3,388

(See accompanying notes)

Statement of Reinvested Earnings

For the Year Ended September 30, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Reinvested earnings, beginning of year	**$19,571**	$16,183
Net income	**3,821**	3,388
Reinvested earnings, end of year	**$23,392**	$19,571

(See accompanying notes)

THE EDMONTON EXHIBITION ASSOCIATION LIMITED

Statement of Changes in Financial Position

For the Year Ended September 30, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Working capital provided by:		
Operations —		
Net income	**$ 3,821**	$ 3,388
Add (deduct) items not affecting working capital in the current period:		
Depreciation	**1,626**	2,892
Amortization of contributions	**(705)**	(1,122)
Deferred revenue	**(30)**	(30)
	4,712	5,128
Contributions for expansion of facilities and capital debt retirement	**8,581**	3,784
Proceeds on disposals of fixed assets	**25**	8
Increase (decrease) in long-term debt	**2,229**	(159)
	15,547	8,761
Working capital applied to:		
Additions to fixed assets —		
Property acquired for expansion	**553**	347
Buildings and improvements on leasehold land including construction in progress	**17,210**	16,796
Equipment	**692**	550
	18,455	17,693
Decrease in working capital	**(2,908)**	(8,933)
Working capital, beginning of year	**3,696**	12,629
Working capital, end of year	**$ 788**	$ 3,696
Represented by:		
Current assets	**$12,244**	$13,392
Current liabilities	**11,456**	9,696
	$ 788	$ 3,696

(See accompanying notes)

THE EDMONTON EXHIBITION ASSOCIATION LIMITED

Notes to Financial Statements

September 30, 1983

INTRODUCTION

The Edmonton Exhibition Association Limited, incorporated in 1908, is the successor to The Edmonton Agricultural Society of 1879 and The Edmonton Industrial Exhibition Association of 1899. It was formed to provide programs and facilities to benefit the residents of Northern Alberta in the fields of Agriculture, Trade Shows and Exhibitions, Entertainment and Community Service. The Association's 200 shareholders, along with associate directors and other volunteers, provide the impetus and volunteer assistance that enable the Association to achieve its objectives. The Association is exempt from income tax and it cannot pay dividends to its shareholders, the shares cannot appreciate in value and its shareholders and directors do not receive any fee for their services.

Reinvested earnings of the Association are reinvested in the facilities of the Association. The Association is qualified under the provisions of the Alberta Agriculture Societies Act and receives substantial funding from the Province of Alberta by way of grants and loan guarantees. Assistance has also been received from the Government of Canada by way of grants and loans, and from The City of Edmonton, primarily for land acquisition.

The land on which the Association's facilities are located is held in the name of The City of Edmonton and leased to the Association under a lease which expires in 1999. If the lease is not renewed or extended, the buildings and improvements on the leased lands will revert to The City of Edmonton. The amount of the annual lease rental is subject to periodic review.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Association have been prepared by management in accordance with accounting principles described in this note which have been consistently applied. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgement in light of the information available up to November 15, 1983. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Fixed assets and depreciation
Fixed assets are recorded at cost and, except for land and properties acquired for future expansion, are depreciated on the straight-line basis over the useful lives of the assets as set out below. No depreciation is recorded on construction in progress until such time as the assets are substantially complete. During the year the Association reviewed the estimated useful lives of its buildings and improvements and adjusted the depreciation rates accordingly.

Assets	Useful life
Coliseum	50 years (1982 - 20 years)
Other buildings	25 years (1982 - 14 years)
Equipment	3 to 10 years

Interest on borrowings in respect of capital projects is expensed, except where carrying costs form an integral part of construction contracts. Interest capitalized in 1983 amounted to $78,553 (1982 - $119,153).

Inventories
Inventories are valued at the lower of cost and net realizable value.

Grants and contributions
Grants and contributions are recognized at the earliest of the date of commitment by the grantor or upon receipt by the Association. Amounts relating to the acquisition of property for expansion, construction of facilities or retirement of debt are credited to "Contributions for expansion of facilities and capital debt retirement". Other grants and contributions not specifically related to capital projects are taken into income in the year of recognition.

Amounts credited to "Contributions for expansion of facilities and capital debt retirement" are amortized into income each year as follows:

Related to depreciable assets — amortized on the same basis as the related assets. Related to non-depreciable assets — amortized over the remaining term of the lease with The City of Edmonton.

Notes to Financial Statements — cont'd.

Deferred revenues
Deferred revenues are recorded in the accounts at the contractually agreed upon price and brought into income over the life of the contract.

Leases
Leases which transfer substantially all the benefits and risks of ownership of the leased asset to the Association are capitalized by recording the present value of the payments expected to be made under the lease on the balance sheet as an asset and a liability. Capitalized leased assets are depreciated over their useful lives on a basis consistent with owned assets.

Revenue and expenses
The revenue and expenses recorded in these statements reflect only the amounts actually attributable to the Association. Amounts received or disbursed on behalf of third parties are not reflected.

Internal rental revenue and expense represent inter-departmental charges for services provided and used between the departments. These charges are determined by management to represent external market conditions and are applied on a basis consistent with the previous year.

2. FIXED ASSETS

The details of fixed assets at September 30, are as follows:

	1983			1982
	Cost	Accumulated depreciation	Net book value	Net book value
Coliseum	$15,955,128	$ 6,684,414	$ 9,270,714	$ 9,502,448
Buildings and improvements	25,794,076	11,722,807	14,071,269	13,195,792
Equipment	4,720,455	2,731,025	1,989,430	2,049,729
Properties acquired for future expansion	7,632,888		7,632,888	7,079,709
Construction in progress	31,227,938		31,227,938	15,560,423
	$85,330,485	$21,138,246	$64,192,239	$47,388,101

3. LONG-TERM DEBT

	1983	1982
Government of Canada loan due December 31, 2004, interest rate 8.595%, annual instalments of $469,324 of principal and interest	$ 4,569,908	$ 4,640,400
Government of Canada loan due December 31, 2004, interest rate 9.025%, annual instalments of $311,662 of principal and interest	2,937,305	2,980,000
Interim bank financing for the AgriCom, to be refinanced by a term loan. Interest at prime payable monthly	2,550,000	
Demand bank loans with no terms of repayment, interest at prime plus ½ of 1%	1,125,000	1,125,000
Obligation under capital lease	83,444	117,800
	11,265,657	8,863,200
Less amounts due within one year	328,500	154,800
	$10,937,157	$ 8,708,400

Notes to Financial Statements — cont'd.

As collateral security for bank loans, the bank holds the lease of land from The City of Edmonton, a registered general assignment of book debts, as assignment of the annual debt retirement grant and proceeds from the Western Canada Lottery Alberta Division.

The Association has arranged term bank financing for the AgriCom which is contingent upon obtaining a guarantee from the Government of the Province of Alberta. The loan is authorized for an amount not to exceed $17,500,000 with interest at prime and maturing April 30, 1999. Annual principal payments would amount to $1,100,000 per year, subject to reduction if the loan advanced is less than $17,500,000.

4. DEFERRED REVENUE

The Association entered into a contract to provide rental services to outside parties for a period of ten years commencing November 10, 1981. The total fee for these services of $300,000 is being amortized to revenue over the term of the contract.

5. CONTRIBUTIONS FOR EXPANSION OF FACILITIES AND CAPITAL DEBT RETIREMENT

Contributions received less amounts amortized are summarized as follows:

	1983			1982
	Contribution	Accumulated amortization	Net book value	Net book value
For buildings and improvements:				
Province of Alberta — initial grant	$ 3,700,000	$ 1,532,857	$ 2,167,143	$ 2,220,000
Province of Alberta — Western Canada Lottery Alberta Division	1,850,000	766,429	1,083,571	1,110,000
Loto Canada	1,850,000	766,429	1,083,571	1,110,000
Province of Alberta — Pari-mutuel tax rebate	6,532,810	961,165	5,571,645	4,649,290
Provincial pedway grants via The City of Edmonton	439,282	181,987	257,295	263,570
Province of Alberta — Western Canada Lottery Foundation	3,500,000	423,037	3,076,963	2,994,322
Province of Alberta — Department of Agriculture AgriCom Grant	7,250,000		7,250,000	7,250,000
Government of Canada — Department of Industry Trade and Commerce	7,250,000		7,250,000	
Other	25,000	5,000	20,000	120,000
For property for expansion:				
The City of Edmonton	3,700,000	1,023,013	2,676,987	2,844,299
	$36,097,092	$ 5,659,917	$30,437,175	$22,561,481

6. COMMITMENTS

Of the commitments entered into to construct the AgriCom building amounting to $34,143,000, $30,266,000 was expended to date and the balance remains committed at the year end.

The Association has received a contribution of $7,250,000 from the Province of Alberta towards the AgriCom project. The Federal Government has committed to a matching contribution of which $2,000,000 has been received and $5,250,000 is accrued as receivable at September 30, 1983. The balance of the financing will be met by borrowings as referred to in Note 3.

The Association is committed under a lease with The City of Edmonton expiring in 1999 covering the land on which the Association's buildings are situated. The annual rental is $1 per year. The amount of annual lease rental is subject to periodic review.

Notes to Financial Statements — cont'd.

7. INTEREST EXPENSE

The Association has recorded interest expense net of interest revenues earned as follows:

	1983	1982
Interest expense:		
Assets under capital lease	$ 8,798	$ 14,238
Long-term debt	880,775	870,583
Current debt	141,333	193,903
Total interest expense	1,030,906	1,078,724
Interest income:		
Term deposits and other	297,083	1,820,895
Interest expense (income) net of interest income	$ 733,823	$ (742,171)

8. WESTERN CANADA LOTTERY ALBERTA DIVISION

Effective May 15, 1974, the Edmonton Exhibition Association and the Calgary Exhibition and Stampede formed a partnership for the purpose of conducting and operating a continuing lottery to be marketed throughout the Province of Alberta in accordance with the provisions of the Western Canada Lottery Foundation. Under the terms of the partnership agreement, which was amended November 19, 1976 and March 15, 1978, the net profits of the Lottery are to be divided in accordance with the Provincial Lottery License expiring March 31, 1984 which provides that the proceeds through the Lottery will be used by Foundations with province-wide impact in amateur sport and cultural development, as well as capital projects of the Edmonton Exhibition Association and the Calgary Exhibition and Stampede that are of benefit to the citizens of Northern Alberta and Southern Alberta respectively.

9. SUBSEQUENT EVENT

Subsequent to November 15, 1983 The City of Edmonton indicated they intend to increase the annual lease rental and impose municipal taxes on the Association which could have a significant impact on the Association's future costs of operations. These matters are currently under review.

EDMONTON PUBLIC LIBRARY BOARD

Auditors' Report

To the Chairman and Members of
The Edmonton Public Library Board

We have examined the balance sheet of the Edmonton Public Library Board as at December 31, 1983 and the statements of revenue and expenditures, surplus and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Edmonton Public Library Board as at December 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with the accounting principles set out in the summary of significant accounting policies applied on a basis consistent with that of the preceding year.

Edmonton, Canada
May 4, 1984

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Balance Sheet

December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Current assets:		
Cash and term deposits	**$2,368**	$2,564
Accounts receivable	**10**	10
Grant receivable from Province of Alberta	**35**	83
Prepaid expenses	**132**	97
Investment in The City of Edmonton Reserve Fund	**310**	279
Total current assets	**2,855**	3,033
Fixed assets:		
Land, buildings and equipment at cost less accumulated depreciation	**4,353**	3,790
	$7,208	$6,823
LIABILITIES AND SURPLUS		
Current liabilities:		
Accounts payable and other liabilities	**$ 71**	$ 90
Unexpended grants and donations	**39**	18
Due to The City of Edmonton	**281**	885
Accrued interest on debentures	**158**	148
Total current liabilities	**549**	1,141
Debentures payable (note 2)	**4,053**	3,790
Due to The City of Edmonton — long-term (note 3)	**300**	
	4,353	3,790
Surplus	**2,306**	1,892
Commitments (note 4)		
	$7,208	$6,823

See accompanying notes to financial statements.

EDMONTON PUBLIC LIBRARY BOARD

Statement of Revenue and Expenditure

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
REVENUE:		
Grants:		
The City of Edmonton	**$10,245**	$ 9,886
Province of Alberta	**2,158**	2,228
Fines and charges	**444**	243
Interest	**172**	278
Rental of premises	**50**	75
Other	**163**	176
Total revenue	**13,232**	12,886
EXPENDITURES:		
Salaries and employee benefits	**6,830**	5,870
Maintenance of properties	**1,899**	1,736
Books and library materials	**1,605**	1,924
Supplies	**1,036**	1,365
Property rentals	**503**	435
Debenture interest charges	**310**	312
Depreciation	**273**	201
Bookmobile and trailer operations	**24**	30
Total expenditures	**12,480**	11,873
Excess of revenue over expenditures	**$ 752**	$ 1,013

See accompanying notes to financial statements.

EDMONTON PUBLIC LIBRARY BOARD

Statement of Surplus

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Unallocated surplus:		
Balance, beginning of year	$1,331	$ 318
Excess of revenue over expenditures	752	1,013
Transfer to capital projects	(720)	
Balance, end of year	1,363	1,331
Surplus allocated for capital projects:		
Balance, beginning of year		762
Transfer from unallocated surplus	720	
Expenditures during the year:		
Castle Downs Branch	(75)	(132)
Mill Woods Branch	(170)	(349)
Main Library Renovations	(139)	
Transfer to surplus allocated for Library system		(281)
Balance, end of year	336	
Surplus allocated for Library system:		
Balance, beginning of year	281	
Transfer from surplus allocated for capital projects		281
Interest income on Library system surplus	16	
Balance, end of year	297	281
Carnegie Fund surplus:		
Balance, beginning of year	280	242
Interest income on Carnegie Fund Surplus	30	38
Balance, end of year	310	280
Total surplus, end of year	$2,306	$1,892

See accompanying notes to financial statements.

EDMONTON PUBLIC LIBRARY BOARD

Statement of Changes in Financial Position

Year Ended December 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Funds provided from:		
Operations:		
Excess of revenue over expenditures	**$ 752**	$1,013
Add item not requiring an outlay of funds:		
Depreciation	**273**	201
Funds provided from operations	**1,025**	1,214
Proceeds from debentures	**535**	1,357
Proceeds from The City of Edmonton — long-term	**300**	
Interest income on Carnegie Fund Surplus	**30**	38
Interest income on Library system surplus	**16**	
Total funds provided	**1,906**	2,609
Funds applied to:		
Purchase of fixed assets	**835**	1,357
Repayment of debentures — principal	**273**	200
Expenditures from surplus allocated for capital projects	**384**	481
Total funds applied	**1,492**	2,038
Increase in working capital	**414**	571
Working capital, beginning of year	**1,892**	1,321
Working capital, end of year	**$2,306**	$1,892

See accompanying notes to financial statements.

EDMONTON PUBLIC LIBRARY BOARD

Notes to Financial Statements

December 31, 1983

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Operations:
The Edmonton Public Library Board operates under the authority of The Libraries Act of Alberta and it is administered by a separate board which reports to The City of Edmonton. It operates a number of public libraries and bookmobiles throughout The City of Edmonton and derives its revenues from its library operations and grants from The City of Edmonton and the Province of Alberta.

(b) Fixed assets:
In accordance with accounting policies followed by municipal organizations, fixed assets acquired through debenture borrowing are carried at their original cost less accumulated depreciation. The annual depreciation charge equals the annual principal payment of the debenture debt.

Other fixed assets acquired are written off in the year of acquisition.

(c) Revenue recognition:
Library fines and charges are recorded on a cash basis.

(d) Allocated surpluses:
Amounts have been appropriated from general surplus to fund the cost of specific expansion of library facilities, including the initial purchase of books, supplies, furniture and improvements.

The actual expenditures are charged directly to the surplus accounts in the year in which they are incurred.

(e) Government grants:
Certain government grants which are used to fund specific programs are applied against the costs of those programs.

(f) Interest on surplus accounts:
Interest earned on the surplus account funds are recorded within their respective surplus accounts.

2. DEBENTURES PAYABLE:

At December 31, 1983 the Board has outstanding debentures payable in the amount of $4,052,871 at varying interest rates between 5.75% and 16%. The debentures issued to date are eligible for an Alberta Government interest rebate which reduces the effective interest rate to 11% per year. The payments shown below do not reflect the effect of the rebate.

The Board is committed to the following principal and interest payments for the next five years:

Year	Principal	Interest	Total
1984	$377,889	$414,138	$792,027
1985	413,123	378,904	792,027
1986	452,260	339,767	792,027
1987	495,795	296,232	792,027
1988	532,833	247,737	780,570

3. DUE TO THE CITY OF EDMONTON — LONG-TERM:

In 1983, The City of Edmonton funded fixed asset purchases of $300,000 through debenture borrowings that have been approved by Bylaw Number 5635. As at December 31, 1983 the debentures had not been issued. When these debentures are issued, this liability will become a debenture payable.

4. COMMITMENTS:

The Board is committed to the following annual lease payments for rental of buildings:

Mill Woods Branch	$68,912 per annum to April 1, 1987.
Capilano Branch	$33,460 per annum to January 31, 1990.
Southgate Branch	$95,190 per annum to August 31, 1990.
Castle Downs Branch	$46,000 per annum to April 15, 1986 with rent to be renegotiated for an additional 5 years to 1991.
Londonderry Branch	$60,000 per annum to January 31, 1994.

5. COMPARATIVE FIGURES:

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

Auditors' Report

To the Chairman and Members of
the Board of Governors of the
Royal Alexandra Hospital:

We have examined the balance sheet of Royal Alexandra Hospital as at March 31, 1983 and the following statements for the year then ended:

Integrated Fund	- Statement of Unappropriated Equity - Statement of Revenue and Expenses - Statement of Changes in Financial Position
Endowment and Special Purpose Fund	- Statement of Expendable Equity
Anderson Hall	- Statement of Unappropriated Equity

Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the hospital as at March 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted for hospitals which were applied on a basis consistent with that of the preceding year.

Edmonton, Canada
June 3, 1983

Peat, Marwick, Mitchell & Co.
Chartered Accountants

ROYAL ALEXANDRA HOSPITAL

Balance Sheet

March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
ASSETS		
Integrated Fund:		
Operating:		
Accounts receivable and recoverable:		
Patients	$ 759	$ 742
Province of Alberta (note 3)	6,863	3,651
Sundry	470	822
Due from Anderson Hall		19
Due from Endowment and Special Purpose Fund	5	689
Inventory of supplies — at cost	1,373	1,367
Prepaid expenses	328	215
Total operating assets	9,798	7,505
Funds held for capital purposes	436	1,141
Capital grants receivable — Province of Alberta	2,478	1,976
Total working assets	12,712	10,622
Buildings, land improvements and equipment (note 4)	42,232	40,523
	$ 54,944	$ 51,145
Endowment and Special Purpose Fund:		
Cash and term deposits	$ 2,775	$ 3,326
Other investments — at cost	27	27
Student loans receivable	19	14
Due from The City of Edmonton	33	37
Accounts receivable	44	
	$ 2,898	$ 3,404
Anderson Hall:		
Current assets	$ 27	$ 27
Due from Integrated Fund	5	
Property and equipment — at cost less accumulated depreciation	1,183	1,184
	$ 1,215	$ 1,211

See accompanying notes to financial statements.

ROYAL ALEXANDRA HOSPITAL

Balance Sheet

March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
LIABILITIES AND EQUITY		
Integrated Fund:		
Operating:		
Bank overdraft	$ 439	$ 934
Demand loan	3,400	1,389
Accounts payable and accrued liabilities	6,980	4,945
Unexpended and deferred grants	291	275
Due to Anderson Hall	5	
Total operating liabilities	11,115	7,543
Capital holdbacks payable	126	1,615
Total working liabilities	11,241	9,158
Long-term debt:		
Debentures payable (note 5)	3,957	4,000
Total liabilities	15,198	13,158
Unappropriated equity	39,746	37,987
Contingency and commitment (notes 3 and 6)		
	$ 54,944	$ 51,145
Endowment and Special Purpose Fund:		
Accrued interest payable	$ 400	$ 403
Due to Integrated Fund	5	689
	405	1,092
Endowment equity	7	7
Expendable equity	2,486	2,305
Total equity	2,493	2,312
	$ 2,898	$ 3,404
Anderson Hall:		
Current liabilities	$ 21	$ 22
Due to Integrated Fund		19
Debenture payable (note 5)	934	939
Contributed surplus	124	124
Unappropriated equity	136	107
	$ 1,215	$ 1,211

See accompanying notes to financial statements.

ROYAL ALEXANDRA HOSPITAL

Integrated Fund Statement of Revenue and Expenses

Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Revenue — patient:		
Provincial Government grants		
— global payments	$ 80,136	$ 66,640
— cardiology and cardiac rehabilitation	2,734	907
— perinatal program	5,397	4,625
Uninsured services	3,665	2,997
Differential charges for preferred accommodation	447	403
Admitting fees	135	122
Other	19	14
	92,533	75,708
Other income:		
Provincial Government grants		
— ambulance	310	156
— medical education	923	774
— school of nursing	1,363	
— other	500	184
Food services	1,595	1,409
Miscellaneous	312	255
Recoveries from other hospitals	148	157
	5,151	2,935
Total revenue and other income	97,684	78,643
Expenses:		
Salaries and wages	68,402	54,060
Employee benefits	5,251	3,850
Medical and surgical supplies	5,587	4,332
Drugs	2,424	1,898
General expenditures	16,283	13,424
Total expenses	97,947	77,564
Operating surplus (deficit) for the year	$ (263)	$ 1,079

See accompanying notes to financial statements.

Integrated Fund Statement of Unappropriated Equity

Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Balance, beginning of year	$ 37,987	$ 32,270
Add — Operating surplus for the year		1,079
— Payment by the Province of Alberta toward the prior year operating deficit		571
— Capital grants — Province of Alberta	4,232	6,649
— Other	74	165
— Capital contributions from Endowment and Special Purpose Fund	415	44
	42,708	40,778
Less — Operating deficit for the year	263	
— Write-off of development costs		257
— Depreciation and amortization	2,294	1,835
— Cost of assets disposed of, retired or written-off during the period (net of accumulated depreciation)	405	699
	2,962	2,791
Balance, end of year	$ 39,746	$ 37,987

See accompanying notes to financial statements.

Endowment and Special Purpose Fund Statement of Expendable Equity

Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

Balance, beginning of year	$ 2,305	$ 1,477
Add — Donations	59	62
— Capital Grant by Alberta Heritage Savings Trust Fund		39
— Interest (note 1)	783	941
— Parking lot revenues	707	367
— Other revenue	4	
	1,553	1,409
Deduct: Payments and appropriations:		
— Termination fee	50	
— Scholarships and awards	27	17
— Capital additions	372	95
— Deposit on Computer Assisted Tomography Scanner	139	
— Parking expenses	286	61
— Parkade debenture interest	436	403
— Parkade debenture principal	43	
— Balance refunded to donors	10	
— Other	9	5
	1,372	581
Balance, end of year	$ 2,486	$ 2,305

See accompanying notes to financial statements.

Anderson Hall Statement of Unappropriated Equity

Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Unappropriated equity, beginning of year	$ 107	$ 94
Operating surplus for the year	29	13
Unappropriated equity, end of year	$ 136	$ 107

See accompanying notes to financial statements.

Integrated Fund Statement of Changes in Financial Position

Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982
Working funds provided:		
From (to) operations:		
Operating surplus (deficit) for year	$ (263)	$ 1,079
Capital contributions from the Endowment and Special Purpose Fund	415	44
Capital grants — Province of Alberta	4,232	6,649
Payments by the Province of Alberta toward the prior year operating deficit		571
Other	74	165
Proceeds from issuance of debentures		4,000
Total working funds provided	4,458	12,508
Working funds applied:		
Repayment of long-term debt	43	
Acquisition of buildings, land improvements and equipment	4,408	10,433
Total working funds applied	4,451	10,433
Increase in working funds	7	2,075
Working funds (deficiency), beginning of year	1,464	(611)
Working funds, end of year	$ 1,471	$ 1,464

See accompanying notes to financial statements.

Notes to Financial Statements

March 31, 1983

1. NATURE OF OPERATIONS AND FINANCIAL STATEMENT PRESENTATION

The Royal Alexandra Hospital is a 933 bed hospital owned by The City of Edmonton. The Hospital provides a full range of hospital services for central and northern Alberta.

The financial statements are prepared on a fund basis as follows:

Integrated Fund — includes the operating and capital assets of the Hospital.

Endowment and Special Purpose Fund — represents all assets held for special purposes including assets held as endowments. Interest earned from deposits in the Integrated Fund amounting to $502,949 in 1983 ($332,512 in 1982) is recorded in the Endowment and Special Purpose Fund.

Anderson Hall — includes the assets, liabilities and equity of Anderson Hall which is a student apartment building. The income and expenses are not reflected in the Hospital's statement of revenue and expense, but are reported on in separate audited financial statements which show an operating surplus of $29,683 in 1983 ($12,887 in 1982).

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition:
Payments from the Province of Alberta are given recognition in the accounts as they are received or committed. Other revenue is recorded when earned.

(b) Capitalization policy:
Buildings, land improvements and major equipment additions are capitalized.

Original minor equipment purchases are capitalized at cost. All subsequent additions and replacements are expensed in the period of acquisition.

As fixed assets are disposed of or retired, the original cost and related accumulated depreciation of such assets is removed from the appropriate accounts and charged against unappropriated equity.

(c) Depreciation:
Depreciation on buildings, land improvements and major equipment is provided on the following basis:

Buildings	50 years	straight-line
Parking lot	10 years	straight-line
Major equipment	15 years	straight-line
Leasehold improvements	5 years	straight-line

Capital assets are funded by the Alberta Department of Hospitals and Medical Care at the time of purchase, and accordingly depreciation is not recognized as a shareable expense. It is charged directly to unappropriated equity.

3. RECEIVABLE FROM THE PROVINCE OF ALBERTA

The Hospital has recorded a receivable of $1,134,756 from the Province of Alberta for fiscal 1982 retroactive salary adjustments. The Province has indicated that it intends to offset $1,079,068 of this balance by the Hospital's 1982 operating surplus. The Hospital believes that they are entitled to the entire receivable. The collectability of this amount is indeterminable pending final resolution with the Province of Alberta.

Notes to Financial Statements — cont'd.

4. BUILDINGS, LAND IMPROVEMENTS AND EQUIPMENT

All buildings and land improvements are the property of The City of Edmonton.

The major components are as follows:

	1983	1982
Buildings:		
Parkade and incinerator facilities	**$11,652,483**	$
General hospital	**10,972,859**	10,805,219
Women's hospital	**7,026,441**	7,026,441
Children's pavilion	**3,192,985**	2,629,941
School of Nursing and residence	**2,910,795**	2,848,842
Food services pavilion	**1,303,588**	1,303,588
Leasehold improvements	**272,880**	
Greenhouses	**3,986**	3,986
	37,336,017	24,618,017
Parking lot surfacing and other ground improvements	**507,915**	507,915
Major equipment	**21,709,688**	19,379,913
Minor equipment	**352,518**	352,518
Construction in progress	**61,133**	12,221,622
Total buildings, land improvements and equipment	**59,967,271**	57,079,985
Deduct accumulated depreciation and amortization	**17,735,567**	16,556,877
Net buildings, land improvements and equipment	**$42,231,704**	$40,523,108

5. DEBENTURES PAYABLE

The Hospital obtained debenture debt financing from the Alberta Municipal Financing Corporation during 1982 in the amount of $4,000,000 for financing the parkade, incinerator and ancillary facility.

The debt bears interest at 14¼% per annum but is eligible for the Province of Alberta interest rebate subsidy which will bring the effective rate down to as low as 11%. This rebate subsidy will decrease annually. Annual payments to May 1, 2001 will be made from the Endowment and Special Purpose Fund. The next five annual instalments net of the interest rebate subsidy are:

May 1, 1983	$484,055
May 1, 1984	485,639
May 1, 1985	487,449
May 1, 1986	489,517
May 1, 1987	491,880

The debenture related to Anderson Hall is payable to Central Mortgage and Housing Corporation in semi-annual instalments of $34,874 (including interest at 6⅞% per annum) to June 1, 2020.

6. COMMITMENT

As of March 31, 1983 the Royal Alexandra Hospital was committed to purchase a Computer Assisted Tomography Scanner for the Radiology Department at a total price of $1,392,750. In 1983 $139,275 was paid with respect to this commitment.

7. COMPARATIVE FIGURES

Certain 1982 comparative figures have been reclassified to conform with the presentation adopted in 1983.

THE EDMONTON SCHOOL DISTRICT NO. 7

Auditors' Report

To the Board of Trustees
The Edmonton School District No. 7

We have examined the balance sheet of The Edmonton School District No. 7 as at December 31, 1983 and the operating fund statement of revenue, expenditures and deficit and capital and loan fund statements of capital invested in fixed assets and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of The Edmonton School District No. 7 as at December 31, 1983 and the results of its operations and the changes in its capital and loan fund for the year then ended in accordance with accounting principles generally accepted for Alberta School Districts applied on a basis consistent with that of the preceding year.

Edmonton, Alberta
February 27, 1984

Thorne Riddell
Chartered Accountants

THE EDMONTON SCHOOL DISTRICT No. 7

Balance Sheet

As at December 31, 1983
(in thousands of dollars)

	1983	1982
ASSETS		
Operating fund:		
Current assets:		
Accounts receivable		
— Government of Alberta	$ 9,379	$ 7,549
— Other	2,903	1,458
Inventory of supplies	1,151	1,315
Due from capital and loan fund	3,273	
Prepaid expenses	271	
	16,977	10,322
Trust assets:		
Cash, bonds, and investment certificates	88	76
Total Operating Fund	17,065	10,398
Capital and loan fund:		
Current assets:		
Due from operating fund		2,599
Fixed assets:		
Land and improvements	8,916	7,128
Buildings, furniture and equipment	291,228	246,089
	300,144	253,217
Total Capital and Loan Fund	300,144	255,816
	$317,209	$266,214

THE EDMONTON SCHOOL DISTRICT No. 7

Balance Sheet

As at December 31, 1983
(in thousands of dollars)

	1983	1982
LIABILITIES		
Operating fund:		
Current liabilities:		
Bank indebtedness	$ 13,771	$ 7,967
Accounts payable and accrued liabilities	9,254	8,297
Purchase commitments	1,724	1,588
Due to capital and loan fund		2,599
Deferred revenue	491	
	25,240	20,451
Deficit	8,263	10,129
	16,977	10,322
Trust liabilities:		
Scholarships and donations	88	76
Total Operating Fund	17,065	10,398
Capital and loan fund:		
Current liabilities:		
Accounts payable and accrued liabilities	6,655	4,310
Due to operating fund	3,273	
	9,928	4,310
Long-term debt (note 4):		
Capital loan	2,079	2,540
Debenture debt	125,913	98,918
	127,992	101,458
Capital and reserves:		
Reserve for future and capital expenditures	875	875
Capital invested in fixed assets	161,349	149,173
	162,224	150,048
Total Capital and Loan Fund	300,144	255,816
	$317,209	$266,214

THE EDMONTON SCHOOL DISTRICT NO. 7

Operating Fund Statement of Revenue, Expenditures and Deficit

Year ended December 31, 1983
(in thousands of dollars)

	1983	1982
REVENUE:		
School foundation program fund	$132,636	$124,744
Provincial grants	34,063	30,482
Supplementary requisitions	94,950	87,443
Other	9,234	5,478
	270,883	248,147
EXPENDITURES:		
Salaries	195,654	184,562
Employee benefits	11,749	10,353
Debt service, including bank interest	22,472	18,835
Services purchased	24,517	22,894
Supplies and materials	10,967	10,135
Furniture and equipment	3,658	2,455
	269,017	249,234
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	1,866	(1,087)
DEFICIT AT BEGINNING OF YEAR	10,129	9,042
DEFICIT AT END OF YEAR	$ 8,263	$ 10,129

Capital and Loan Fund Statement of Capital Invested in Fixed Assets

Year Ended December 31, 1983
(in thousands of dollars)

	1983	1982
CAPITAL INVESTED DURING THE YEAR		
From operating funds for		
Furniture and equipment	$ 3,658	$ 2,455
Repayment of debentures	7,909	6,701
Repayment of capital loans	609	502
Capital grants		72
	12,176	9,730
BALANCE AT BEGINNING OF YEAR	149,173	139,443
BALANCE AT END OF YEAR	$161,349	$149,173

THE EDMONTON SCHOOL DISTRICT NO. 7

Capital and Loan Fund Statement of Changes in Financial Position

Year ended December 31, 1983
(in thousands of dollars)

	1983	1982
Funds derived from:		
Issue of debentures	$ 34,894	$ 27,009
Capital loans	147	637
Increase in capital invested in fixed assets	12,176	9,730
	47,217	37,376
Funds applied to:		
Cost of additions to:		
Land and improvements	1,788	527
Buildings	39,877	22,048
Equipment	5,162	5,783
Vehicles	89	125
Repayment of debentures	7,909	6,701
Repayment of capital loans	609	502
	55,434	35,686
INCREASE (DECREASE) IN FUNDS PAYABLE	8,217	(1,690)
FUNDS PAYABLE AT BEGINNING OF YEAR	1,711	3,401
FUNDS PAYABLE AT END OF YEAR	$ 9,928	$ 1,711
Represented by:		
Due to (from) operating fund	$ 3,273	$ (2,599)
Accounts payable and accrued liabilities	6,655	4,310
	$ 9,928	$ 1,711

Notes to Financial Statements

Year ended December 31, 1983

1. ACCOUNTING POLICIES

(a) Revenue and expenditures

Revenue, including grants from the Alberta government, and expenditures are recorded on the accrual basis except as follows:

(i) Teaching salaries are recorded when paid.

(ii) Operating fund purchase commitments are recorded in the year in which the goods or services are ordered.

(iii) Principal and interest on debenture debt and capital loans are recorded when paid.

(iv) Local improvement charges on new school sites are recorded when billed by The City of Edmonton.

(b) **Fixed assets**

Fixed assets, including buildings, building additions, major capital improvements and furniture and equipment, are recorded at cost in the capital and loan fund.

Operating fund expenditures made during the year for replacements of, or additions to furniture and equipment are recorded as contributions to the capital and loan fund. In the capital and loan fund these items are recorded as fixed assets and as an increase to capital invested in fixed assets.

Depreciation of fixed assets is not recorded in these financial statements.

(c) **Inventory of supplies**

Inventory of supplies is valued at average cost.

Notes to Financial Statements — cont'd.

2. CAPITAL CONSTRUCTION

At December 31, 1983, the commitment for the uncompleted portion of the construction program amounted to $7,827,000 (1982 — $37,985,000). Substantially all of the construction program is to be financed through debenture borrowings which have been approved by the Local Authorities Board.

3. UNRESOLVED LEGAL MATTER

Prior to the employees of the Board adopting the Local Authorities Pension Plan in 1967, the employees participated in The City of Edmonton pension fund. At the time of transfer of the pension fund to the Local Authorities Pension Plan all of the funds in the City pension fund were not required by the Local Authorities Pension Plan. The amount of excess contributions by the Board including interest has been estimated at $1,200,000.

The Board's legal counsel and The City of Edmonton are in agreement that the excess contributions made to the City pension fund are refundable to the Board. However, certain of the City's employee associations disagree and claim they are entitled to the excess contributions. Due to the uncertainty of the resolution of this matter, the amount in dispute has not been reflected in these financial statements.

4. LONG-TERM DEBT

Payments for the next five years on capital loan and debenture debt outstanding at December 31, 1983 are as follows:

	Principal	Interest
1984	$10,170,000	$16,178,000
1985	9,891,000	15,059,000
1986	9,702,000	13,955,000
1987	8,864,000	12,878,000
1988	8,208,000	11,859,000

5. SCHOOL FUNDS

Individual schools offer various services and activities involving the receipt of monies which have not been included in the School District's accounting records. These services and activities include student unions, yearbooks, instructional materials, textbook rentals, field trips and fund-raising projects of various types. Based on reports submitted by each school for the most recent school year, it is estimated that the monies received for these services and activities approximated $6,776,000 and cash balances on hand or in bank accounts approximated $1,517,000 as at August 31, 1983.

These financial statements do not include any amounts related to the above funds.

6. COMPARATIVE FIGURES

The 1982 comparative figures are based on financial statements reported upon by other auditors.

THE EDMONTON R.C. SEPARATE SCHOOL DISTRICT NO. 7

Auditors' Report

To the Board of Trustees

We have examined the capital and loan fund and operating fund balance sheets of The Edmonton R.C. Separate School District No. 7 as at December 31, 1983 and the statements of revenue and expenditures and operating deficit, changes in capital and loan fund and capital reserves and equity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the District at December 31, 1983 and the results of its operations and the changes in its capital and loan fund for the year then ended, in accordance with generally accepted accounting principles for Alberta School Districts applied on a basis consistent with that of the preceding year.

Edmonton, Alberta
February 29, 1984

Coopers & Lybrand
Chartered Accountants

THE EDMONTON R.C. SEPARATE SCHOOL DISTRICT NO. 7

Balance Sheet

December 31, 1983
(in thousands of dollars)

	1983	1982
ASSETS		
CAPITAL AND LOAN FUND:		
Receivable from Operating Fund	**$ 2,160**	$ 2,123
Fixed assets		
Land and servicing costs	**4,466**	3,042
Buildings	**98,697**	89,929
Furniture and equipment	**14,894**	13,753
	118,057	106,724
	$120,217	$108,847
OPERATING FUND:		
Investment in short-term deposit	**$ 5,500**	$ 2,800
Cash in trust	**119**	11
Accounts receivable		
Province of Alberta	**1,116**	1,422
Other	**405**	320
Inventories	**745**	899
Prepaid expenses	**338**	173
	$ 8,223	$ 5,625

THE EDMONTON R.C. SEPARATE SCHOOL DISTRICT NO. 7

Balance Sheet

December 31, 1983
(in thousands of dollars)

	1983	1982
LIABILITIES		
CAPITAL AND LOAN FUND:		
Construction holdbacks and accounts payable	**$ 1,019**	$ 185
Short-term capital loans — Note 2	**545**	265
Debenture debt — Note 3	**52,801**	47,631
Capital reserves and equity	**65,852**	60,766
Commitments — Notes 4 and 5		
	$120,217	$108,847
OPERATING FUND:		
Bank indebtedness:		
Outstanding cheques, less related bank balances	**$ 722**	$ 741
Bank loan	**1,200**	175
Accounts payable and accrued charges	**4,446**	3,610
Outstanding purchase commitments	**511**	153
Unexpended decentralized budgets	**306**	
Pupils' fees paid in advance	**82**	120
Unexpended government grants		45
Trust liabilities	**119**	11
Payable to capital fund	**2,160**	2,123
Surplus on termination of non-teachers' retirement allowance fund — Note 6	**96**	96
Operating deficit	**(1,419)**	(1,449)
	$ 8,223	$ 5,625

THE EDMONTON R.C. SEPARATE SCHOOL DISTRICT NO. 7

Statement of Revenue and Expenditures and Operating Deficit

For the Year Ended December 31, 1983
(in thousands of dollars)

	1983	1982
REVENUE:		
Provincial Foundation Plan	$ 56,914	$ 53,924
Other provincial grants	9,229	7,886
Supplementary Requisition	32,811	30,409
Federal government	1,196	1,141
Other revenue	3,307	2,559
TOTAL REVENUE	103,457	95,919
EXPENDITURES:		
Salaries	73,614	68,718
Employee benefits	4,751	3,954
Services purchased and contracted	11,161	10,476
Supplies and materials	3,088	2,837
Contributions to capital fund	1,800	1,500
Debt services	8,914	8,008
Transfers	98	770
TOTAL EXPENDITURES	103,426	96,263
EXCESS OF REVENUE OVER EXPENDITURES FOR THE YEAR	(31)	344
OPERATING DEFICIT AT BEGINNING OF THE YEAR	1,450	1,106
OPERATING DEFICIT AT END OF THE YEAR	$ 1,419	$ 1,450

Statement of Changes in Capital and Loan Fund

For the Year Ended December 31, 1983
(in thousands of dollars)

	1983	1982
FUNDS PROVIDED:		
Debenture issues	$ 8,313	$ 7,930
Long-term capital loans	357	
Contributions from operating fund		
Fixed assets	1,800	1,120
Land reserve		380
Debenture redemption	3,143	2,753
Short-term capital loan	77	85
Sales tax rebates	66	
	13,756	12,268
FUNDS APPLIED:		
Purchases of		
Land and servicing costs	1,423	151
Buildings	8,768	5,683
Furniture and equipment	1,142	1,160
Debentures redeemed	3,143	2,753
Short-term capital loans paid	77	85
	14,553	9,832
INCREASE (DECREASE) IN FUNDS DURING THE YEAR	(797)	2,436
UNEXPENDED FUNDS AT BEGINNING OF THE YEAR	1,938	(498)
UNEXPENDED FUNDS AT THE END OF THE YEAR	$ 1,141	$ 1,938
UNEXPENDED FUNDS REPRESENTED BY:		
Receivable from operating fund	$ 2,160	$ 2,123
Construction holdbacks and accounts payable	(1,019)	(185)
	$ 1,141	$ 1,938

THE EDMONTON R.C. SEPARATE SCHOOL DISTRICT NO. 7

Statement of Capital Reserves and Equity

For the Year Ended December 31, 1983
(in thousands of dollars)

	1983	1982
BALANCE AT BEGINNING OF THE YEAR	**$ 60,766**	$ 56,428
Contributions from operating fund	**1,800**	1,500
Debentures redeemed	**3,143**	2,753
Short-term capital loans paid	**77**	85
Sales tax rebate — construction	**66**	
BALANCE AT END OF THE YEAR	**$ 65,852**	$ 60,766
BALANCE REPRESENTED BY		
Equity in capital assets	**$ 65,427**	$ 60,386
Reserve — equipment	**425**	
Reserve — land		380
	$ 65,852	$ 60,766

Notes to Financial Statements

For the Year Ended December 31, 1983

1. ACCOUNTING POLICIES

(a) **Fixed Assets**
Fixed assets are recorded at cost and no provision for depreciation has been made in these financial statements.

(b) **Purchase Commitments and Unexpended Decentralized Budgets**
The District follows the policy of recording operating fund purchase commitments and unexpended decentralized budgets as expenditures in the year the funds are committed or budgeted rather than in the year the goods and services are received and the actual liability incurred.

(c) **Inventories**
Inventories are valued at average cost.

(d) **Revenue Recognition**
Revenue is recorded using the accrual basis of accounting.

(e) **Interest on Debentures**
Interest on debenture debt is recorded as an expenditure when paid. No provision for accrued interest payable on debenture debt has been recorded in the accounts as payment of this interest is funded through the Provincial Foundation Plan.

2. SHORT-TERM CAPITAL LOANS

The loans are repayable as follows:

1984	$148,671
1985	126,594
1986	126,594
1987	71,465
1988	71,465
	$544,789

Under the terms of the Building Quality Restoration Program, the repayment of these loans and interest thereon is funded by the Provincial Government.

THE EDMONTON R.C. SEPARATE SCHOOL DISTRICT NO. 7

Notes to Financial Statements — cont'd.

For the Year Ended December 31, 1983

3. DEBENTURE DEBT

Principal and interest payments of debenture debt are due as follows:

	Principal	Interest
1984	$ 3,547,585	$ 6,200,219
1985	3,458,955	5,831,598
1986	3,440,555	5,467,503
1987	3,397,355	5,104,466
1988	3,318,875	4,743,913
1989 to maturity	35,638,190	33,114,766
	$52,801,515	$60,462,465

4. COMMITMENTS

The District is committed to an expenditure of $425,000 for the purchase of equipment in 1984. A reserve for this commitment has been provided for in the current year in contributions to capital fund from the operating fund.

5. COMMITMENTS FOR CAPITAL CONSTRUCTION

At December 31, 1983, the District was committed to expenditures of approximately $4,200,000 for the completion of school facilities under construction. Funds required to complete these projects are to be obtained primarily through debenture financing. No provision has been made in the accounts for these commitments.

6. NON-TEACHERS' RETIREMENT ALLOWANCE FUND

Effective July 1, 1971, the members of the non-teachers' retirement allowance fund transferred to the Local Authorities Pension Plan of the Province of Alberta. Payments totalling $302,901 were made to the administrators of the Local Authorities Pension Plan in full settlement of the present employees' current and past service contributions. The balance remaining in the fund of $96,424 representing contributions of former employees and excess earnings, reverts to the District and is shown on the balance sheet as "surplus on termination of non-teachers' retirement allowance fund" pending a decision by the Board as to the ultimate use of this amount.

EDMONTON LOCAL BOARD OF HEALTH

Auditors' Report

To the Chairman and Members of
The Edmonton Local Board of Health

We have examined the balance sheet of the Edmonton Local Board of Health as at March 31, 1983 and the statements of revenue and expenditures and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board as at March 31, 1983 and the results of its operations for the year then ended in accordance with the accounting principles set out in the summary of significant accounting policies applied on a basis consistent with that of the preceding year.

Edmonton, Canada
May 18, 1983

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Balance Sheet

March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
ASSETS		
Current assets:		
Due from The City of Edmonton	$1,356	$1,864
Total current assets	1,356	1,864
Fixed assets:		
Land	109	109
Building	832	832
	941	941
Less accumulated depreciation	100	67
	841	874
	$2,197	$2,738
LIABILITIES AND SURPLUS		
Current liabilities:		
Accounts payable	$ 423	$ 291
Accrued salaries	359	249
Holdback payable	9	
Total current liabilities	791	540
Surplus:		
General surplus	259	1,273
Reserve for future building expenditures	58	51
Reserve for future Home Care computerization	25	
Reserve for discretionary fund	223	
Surplus invested in assets	841	874
Total surplus	1,406	2,198
Commitments (note 4)		
	$2,197	$2,738

See accompanying notes to financial statements.

EDMONTON LOCAL BOARD OF HEALTH

Statement of Surplus

For the Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
General Surplus:		
Balance at beginning of year:		
As previously stated	$1,480	$ 416
Prior period adjustment (note 3)	(207)	
As restated	1,273	416
Excess (deficiency) of revenue over expenditures	(766)	496
Transfer from reserve for future building expenditures		361
Transfer to reserve for discretionary fund	(223)	
Transfer to reserve for future Home Care computerization	(25)	
Balance, end of year	259	1,273
Reserve for future building expenditure:		
Balance, beginning of year	51	377
Interest earned	7	36
Transfer to general surplus		(361)
	58	52
Withdrawals		1
Balance, at end of year	58	51
Reserve for future Home Care computerization:		
Balance, beginning of year		
Transfer from general surplus	25	
Balance, end of year	25	
Reserve for future discretionary fund:		
Balance, beginning of year		
Transfer from general surplus	223	
Balance, end of year	223	
Surplus invested in assets:		
Balance, beginning of year	874	906
Additions		1
	874	907
Amortization	(33)	(33)
Balance, end of year	841	874
Total Surplus	$1,406	$2,198

See accompanying notes to financial statements.

EDMONTON LOCAL BOARD OF HEALTH

Statement of Revenue and Expenditures

For the Year Ended March 31, 1983
(with comparative figures for 1982)
(in thousands of dollars)

	1983	1982 (Restated)
Revenue:		
Province of Alberta operating grants	**$15,453**	$12,617
Interest earned on surplus cash	**475**	618
Home care revenue	**43**	45
Agency refunds	**56**	
Nursing revenue	**37**	
Contributions to Sour Gas study	**10**	
Mental health revenue	**12**	11
Miscellaneous revenue	**2**	3
Total Revenue	**16,088**	13,294
Expenditure:		
Nursing	**5,548**	4,241
Home care	**3,470**	2,605
Administration	**1,804**	1,504
Accommodation	**1,530**	986
Dental	**1,087**	778
Environmental health service	**1,054**	865
Mental health	**445**	389
Speech service	**376**	256
Handicapped housing	**323**	293
Medical services	**294**	204
Family planning	**277**	247
Health education	**168**	121
Nutrition service	**156**	98
Inner City clinic	**143**	95
Aids to daily living	**76**	60
Planned parenthood	**56**	33
Sour Gas study	**27**	
Teaching modules	**20**	
Depreciation	**33**	33
Amortization of surplus invested in assets	**(33)**	(33)
Nurse refresher study		6
Nutrition research		1
Prenatal project		16
Total Expenditure	**16,854**	12,798
Excess (deficiency) of revenue over expenditures	**$ (766)**	$ 496

See accompanying notes to financial statements.

EDMONTON LOCAL BOARD OF HEALTH

Notes to Financial Statements

March 31, 1983

1. GENERAL:

The Edmonton Local Board of Health operates under authority conferred by the Provincial Board of Health. The health services are administered by the Board using funds granted by the Department of Social Services and Community Health of the Province of Alberta.

2. SIGNIFICANT ACCOUNTING POLICIES:

(a) **Land and buildings:**
The land and building financed through the reserve for future building expenditures are recorded at cost with the corresponding credit to surplus invested in assets.

(b) **Other fixed assets:**
Other fixed assets acquired are written off to expenditures in the year of purchase.

(c) **Depreciation:**
Straight line depreciation is provided on the gross cost of buildings at 4% per annum.

(d) **Surplus invested in assets:**
Surplus invested in assets is amortized to income on the same basis as the related assets are depreciated.

(e) **Reserve for discretionary fund:**
The reserve represents one and one-half percent of the current year's operating grant from the Province of Alberta and has been calculated in accordance with instructions from the Province. The amount in the reserve account is available for disposition at the discretion of the Edmonton Local Board of Health.

(f) **Revenue:**
Home care revenue, refunds from agencies and interest on the amount due from The City of Edmonton are recorded in the books of account when received.

(g) **Payroll:**
Vacation pay is recorded in the books of accounts when disbursed.

3. PRIOR PERIOD ADJUSTMENT:

Accounts payable of $206,989 as of March 31, 1982 were not reflected in the March 31, 1982 financial statements. The 1982 expenditures, accounts payable and general surplus have been retroactively adjusted to reflect this correction.

Notes to Financial Statements — cont'd.

4. COMMITMENTS:

i) Outstanding contractual obligations relating to improvements to West Jasper Place Clinic amounted to $165,945 at March 31, 1983.

ii) The Edmonton Local Board of Health is committed to the following annual minimum lease payments for rental of buildings:

	Minimum Annual Lease Payment
Avord Arms Health Clinic 5 year term to December 31, 1986	$ 38,152
Abbotsfield Clinic 3 year term to June 30, 1983 with an option to renew for an additional 3 years	5,568
Birth Control Clinic 5 year term to September 30, 1983	21,972
Castle Downs Clinic 5 year term to September 1, 1984	41,215
Primrose Clinic 1 year term to September 30, 1983	13,910
Clareview Village Centre Clinic 5 year term to November 30, 1986	27,600
Kingsway Clinic 5 year term to April 30, 1986 with an option to renew for an additional 5 years	18,795
Harley Court Mental Health Clinic — 10th Floor 5 year term to March 31, 1987	26,539
Harley Court Mental Health Clinic — 3rd Floor 5 year term to August 31, 1986	23,753
Argyll Home Care 4 year term to April 30, 1985	9,413
West Jasper Place Clinic 10 year term to July 31, 1983 with an option to renew for an additional 10 years	124,200
C.N. Tower — 5th Floor 5 year, 6 day term to January 31, 1988	102,480
C.N. Tower — 6th and 7th Floors 5 year term to May 31, 1984	97,300

5. COMPARATIVE FIGURES:

Certain of the 1982 figures have been reclassified to conform to 1983 presentation.